

After Desai Visits Dacca

India-Bangladesh Pact Revealed

By Robert Trumbull

NEW DELHI, April 18 (NYT) — Indian Prime Minister Morarji Desai and President Ziaur Rahman of Bangladesh announced a series of agreements today that are expected to strengthen the ties between the two countries, whose relations in the past have been strained despite India's role in

Bangladesh's separation from Pakistan in 1971.

The war for independence in Pakistan's former province of East Bengal, in which Indian military intervention assured victory for the rebels, had been over for only a few months when citizens of Bangladesh began to assert that they were being exploited by their benefactors.

A principal complaint concerned high prices charged for Indian goods. India held a near-monopoly on Bangladesh markets following the expulsion of Pakistan. Officials in Dacca also charged that India was making excessive use of irrigation water from rivers flowing into Bangladesh from Indian territory, to the disadvantage of Bangladesh's farmers.

Inflow of Minorities

India, in turn, was annoyed by an inflow of members of religious minorities, who alleged that they had suffered persecution in overwhelmingly Muslim Bangladesh, and by the use of Bangladesh border regions as sanctuaries for frontier tribesmen who were rebelling against Indian rule.

A low point in relations was reached when the Indian high commissioner — equivalent to an ambassador — was shot in the shoulder by a terrorist in Bangladesh in November, 1975. Meetings to mend the tattered relationship followed, but visible improvement began only with an official visit to New Delhi by Gen. Ziaur in December, 1977.

Mr. Desai, returning today from two days of talks with Gen. Ziaur in Dacca, announced that the discussions "had strengthened the friendship that began in 1977."

Boundary Disputes

A joint communique issued by the two governments listed a series of efforts to improve the links between the two countries through consultations on the various problems discussed. For one, a joint commission will meet, probably next month, on the issue of fair allocation of irrigation water from several rivers in the Ganges system that flow from India into Bangladesh.

Talks also will be held on boundary disputes, the communique said. Pending border questions include a proposal for an exchange of small

enclaves and the delineation of a sea frontier to assure an equitable distribution of marine resources and drilling rights to possible offshore oil reserves.

The communique failed to mention the delicate issues of minority migration into India and the control of border-hopping tribal dissidents, but Mr. Desai said that the meeting in Dacca had produced an arrangement between the two governments to halt such illegal movements of peoples. He declined to divulge details of the agreement.

Indian Foreign Minister Atal Bihari Vajpayee, who participated in the discussions, said that although the communique did not mention it, "the question of minorities was discussed thoroughly" in the talks, as was Indian insistence on measures to curb rebel tribesmen who conduct raids into India from refugees in Bangladesh.

To ease anxieties in Dacca over a huge trade imbalance in India's favor, the communique said, the two sides agreed to allow exports from Bangladesh to India of cement and fertilizer, among other products.

Soviet Note to Chinese Indicates Openness to Talks

MOSCOW, April 18 (UPI) — The Soviet Union sent a message yesterday to Peking indicating that it may be willing to open talks that could lead to improved relations between the two Communist powers.

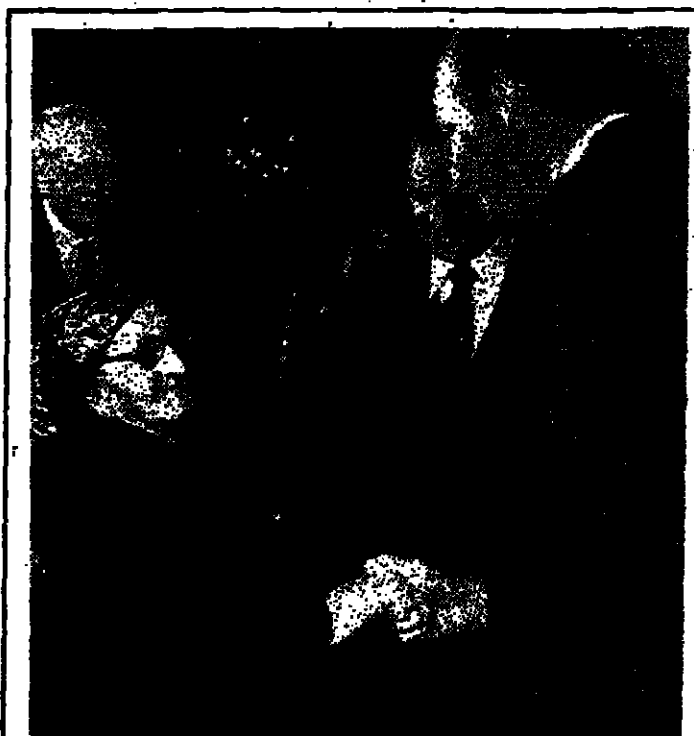
Tass said early today that the note was sent by Foreign Minister Andrei Gromyko to the Chinese government through the Chinese ambassador in Moscow, Wang Youping.

The note was the first indication of a thaw in relations between Peking and Moscow in years and came after a particularly tense period during which Chinese troops invaded Vietnam. Moscow's key Southeast Asian ally.

"The Soviet Union is convinced that a document on principles of relations between the Soviet Union and China, drafted and adopted by

the sides, would be a suitable starting base for an improvement of relations between the Soviet Union and China," Tass quoted the note as saying.

Improved Soviet-Chinese relations was "in the cardinal interests



HER WISHES FULFILLED — King Juan Carlos of Spain greets Ramona Agudín, 109, whose birthday wishes were to meet the monarch and to visit her children and grandchildren in Argentina. The king fulfilled both requests — with a private audience and a round-trip ticket.

Japan May Cut Vietnam Aid

TOKYO, April 18 (UPI) — Premier Masayoshi Ohira implied today that future Japanese foreign aid to Vietnam would depend on whether the Vietnamese government permits the establishment of permanent Soviet military bases there.

He said that if the Soviet Union permanently bases ships at Cam Ranh Bay, Japan would have to carefully consider whether to offer Vietnam full-scale economic aid. However, he added that Japan does not yet know whether Soviet ships are merely docking temporarily for supplies or are going to be based there permanently.

Mr. Ohira's remarks in an interview with three U.S. reporters were the strongest public hint so far that Japan may use future foreign aid as a lever to discourage a Vietnamese-Soviet military partnership.

The Japanese government recently has expressed strong concern about Soviet military planes and ships being stationed in Vietnam,

regarding them as potential threats to Japan's oil supplies, which are shipped from the Middle East. The Soviet use of Vietnamese airfields and ports for military purposes began during the recent war between China and Vietnam, but has continued since those hostilities ceased.

In the interview, Mr. Ohira carefully emphasized that there would be no withdrawal of Japan's current aid programs, which consists of about \$64 million in grants and loans a year. "I don't think," he said, "we contemplate anything like pulling this as leverage or withdrawing it . . . to influence our Vietnamese position," the premier said.

But he added that Japan is now in a second stage of considering larger economic aid programs for Vietnam. "If the Russians get permanent bases there," he said, "we would have to carefully and seriously consider what to do about any full-scale economic aid, although we would have to complete discussing whatever we have committed already."

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Minimizes Soviet Threat

Brown Says U.S. Needs a Year To Be Able to Monitor SALT-2

By Bernard Gwertzman

WASHINGTON, April 18 (NYT) — Defense Secretary Harold Brown said yesterday that it would take the United States about a year to regain the ability to verify adequately Soviet compliance with a new strategic arms limitation treaty — a capability that was weakened by the loss of two listening posts in Iran.

But in the administration's most detailed comment to date on the controversial verification question, Mr. Brown contended that it would take the Russians a "period of years" to complete tests on any new missile systems in violation of the projected treaty.

In effect, Mr. Brown was contending that while it would take a year or so to regain the ability to verify adequately that the Soviet Union was living up to the treaty, the Russians would need more time than that to produce a missile system not permitted under the treaty.

Thus, assuming the final treaty contains the verification provisions he expects, Mr. Brown said, "it is my judgment that our monitoring will be such as to provide adequate verification as to Soviet compliance with the curbs on new or modified ICBMs."

Mr. Brown's statement was issued as a result of doubts raised by Senate critics who had received a secret briefing from Stanfield Turner, the director of the CIA, last week. Adm. Turner said that it would take until 1984 to restore the full intelligence-gathering facilities lost in Iran (IHT, April 18).

One critic, Sen. Jake Garn, R-Utah, said yesterday that "there is nothing the United States can do in either the near or long term to compensate for the loss of electronic listening posts in Iran, making verification of a new SALT treaty an impossible task. . . . For the foreseeable future, there is no replacement." Mr. Brown did not take issue with Adm. Turner's prediction that the Iranian stations could not be replaced fully until 1984.

[Reuters reported from Washington that the Carter administration today accused Sen. Garn of leaking an inaccurate account of secret CIA testimony about U.S. ability to verify the treaty.]

(His House spokesman Jody Powell took issue with the account by Sen. Garn and the CIA also said the account, concerning the Iran listening posts, was "inaccurate as it now stands.")

The Tass article briefly outlined the recent history of Soviet and Chinese relations, noting that the Soviet Union has advanced several proposals for negotiations to lessen tensions over the years.

"So, the Chinese government knows well the approach of the Soviet Union to the subject and aims of talks between our countries and the concrete proposals of the Soviet side," Tass said.

"The Soviet side expects that, with due account for the above stated considerations, the Chinese side will present its views on the subject and aims of the talks. On the attainment of agreement of this, it would be possible to discuss the question of venue and level of the talks," Tass said.

It was evident from the text of the Gromyko note that Moscow was answering a message sent by the Chinese Foreign Ministry to the Soviet Foreign Ministry on April 3.

"In connection with the April 3, 1979, note of the Ministry of Foreign Affairs of the People's Republic of China, the Ministry of Foreign Affairs of the Soviet Union is authorized to state the following," Mr. Gromyko's message said. Then Tass reported the text of the message.

Mr. Brown suggested that the year's gap would not be decisive because the principal problem would be to define "the nature and characteristics of new or modified Soviet intercontinental ballistic missiles."

Each such new Soviet program will require about 20 flight tests over a period of years, he said. Thus, he argued, while existing systems or replacements for the Iranian sites might miss some flights, the

total assessment of Soviet compliance would be made from a whole test program for each missile from a variety of sources.

Satisfactory Resolution

"We expect to conclude a treaty that resolves satisfactorily the remaining provisions on verification and on new ICBMs," he said. "That event, it is my judgment, our monitoring will be such as to provide adequate verification as to Soviet compliance with the curbs on new or modified ICBMs."

Earlier, Thomas Reston, a State Department spokesman, had contended that despite Adm. Turner's statement, it would be possible to have a treaty that was verifiable.

"Nothing Adm. Turner said contravenes the basic judgment of the administration that the terms of a treaty will be adequately verifiable," Mr. Reston said. "The president would not sign an agreement unless he was firmly convinced it is adequately verifiable."

Mr. Reston then quoted from speech given in New York on April 5 by Mr. Brown.

"Much has recently been written about the loss of the intelligence sites in Iran and how important it is to have adequate SALT verification," Mr. Reston said. "Intelligence of the kind gained from these sites is important to our assessment of Soviet strategic forces programs, including some of the aspects limited SALT-2. We are examining alternative means of collection, and the question is not if we will regain this capability, but how, where, and how quickly we can do it."

Mr. Reston said yesterday, "are confident that this can be done on a timely basis to insure that agreement is adequately verifiable."

"Even without SALT, we are able to monitor Soviet strategic forces," he said. "This is critical to our national security. The point is that SALT will make that task substantially easier. For example, bans deliberate concealment of systems we use to monitor Soviet forces."

Administration officials said while it may take several years to replace completely the Iranian listening posts, which carried out many intelligence functions, they believed the verification capability could be restored in time to the actual signing of the treaty.

Secretary of State Cyrus Vance returned to Washington tonight after an Easter holiday in Florida and was expected to meet soon with Soviet Ambassador Anatoly Dobrynin to see if the remaining few issues could be concluded in the next week or so. That would open the way to a meeting between President Carter and Soviet President Leonid Brezhnev.

Blockout on Test-Ban Talks

GENEVA, April 18 (UPI) — The United States and Soviet Union today decided to postpone talks on a treaty to ban nuclear testing, it was disclosed today.

While the reasons for this move were not obvious, it appears to be linked to the current defense final stage of the SALT talks.

Next — A day in the life of an Algerian immigrant in the Paris region.

Peasants Begin to Return To War-Ravaged Kampala

(Continued from Page 1)

ment opened the doors of the Amin regime's warehouses and found 30,000 sacks of sugar. Thousands of hungry Ugandans showed up and most were given a 125-pound bag. The excitement became so great that two persons were killed in the crush and soldiers had to fire into the air to disperse the crowd.

Government planners, however, are skeptical that Europe can perpetuate the old notion that immigrants can save for their economic prosperity without acquiring some rights of their own. Concerned about a potential social threat from frustrated minorities, they argue for better facilities to equip immigrants for new kinds of jobs.

Worried about the immigrants' frustration turning to violence,

U.S. Will Admit More Refugees From Indochina

BANGKOK, April 18 (NYT) — President Carter's coordinator for refugee affairs said yesterday that the United States would admit 7,000 Indochinese refugees each month through September of next year and said that he anticipated the continuation of the program for at least a year beyond that.

Dick Clark, who is on a study tour of Southeast Asia, said that the administration hoped to put the program into law by summer. But he said that regardless of congressional action, Mr. Carter would set the flow of Indochinese refugees to the United States at 7,000 a month through September of next year through his authority to "parole" refugees into the country.

In the last year, about 4,500 Indochinese refugees have entered the United States each month.

In addition to those from Indochina, the United States plans to admit 3,000 refugees a month from other areas, most of them Soviet Jews, Mr. Clark said.

U.S. Trade Embargo

But the situation is clouded because Congress last year instituted a trade embargo on Uganda and the restrictions can be repealed only by Congress. Even though the embargo was directed at the Amin regime — which has been accused of responsibility for the deaths of more than 300,000 Ugandans — there was no stipulation that it would be lifted when Marshal Amin was overthrown.

U.S. diplomats in Nairobi said that they had received no guidance from Washington on what U.S. policy toward Uganda will be or when the United States intends to reopen its embassy.

Western diplomats in Nairobi said yesterday that they had reason to believe — but could not say categorically — that Marshal Amin flew to Libya last weekend from an

air base at Soroti, 110 miles north of Kampala. He was accompanied by 80 soldiers to Tripoli in a military plane and the Libyan executive that is believed to have carried the disposed president into exile.

As you know, it is alleged that Nairobi's Jomo Kenyatta Airport has committed a number of crimes against humanity and we will continue his efforts to put him trial," President Lule said. "A man, though, is a very fast individual and every time we get into shows us his heels."

The offer was made by the byran head of state, Col. Muqadhdafi. But Tanzania rejected the sources said, holding out for a billion and Red Cross supervision of the release.

Some of the prisoners were reported being flown to Uganda to Dar es Salaam, the Tanzanian capital, and the U.S. sources said that it appeared that Tanzania and Libya had reached an agreement between two prices.

Western diplomatic sources in Nairobi said that Col. Muqadhdafi for apparently was intended to please his senior army commander who were angered and embarrassed when Col. Muqadhdafi, without consulting his civilian or military advisers, decided to shift from aid Marshal Amin's regime.

The foray proved a disaster. 2,600 soldiers Libya sent were defeated decisively as was the byran army in its 1977 border with Egypt. The Tripoli agreement withdrew its forces from Uganda in the first week of having lost about 600 men, U.S. sources said.

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Senior Safety Panel New Instruments Urged for 42 Reactors in U.S.

By David Burnham

WASHINGTON, April 18 (AP) — The government's senior safety panel on the safety of nuclear reactors recommended yesterday that a broad range of new instruments be installed on more than half of the nation's 72 operating reactors.

The recommendation of the Advisory Committee on Reactor Safety goes well beyond the remedial work recommended last week by the staff of the Nuclear Regulatory Commission following the accident at the Three Mile Island reactor in Pennsylvania.

The committee's recommendation, during a meeting with the five members of the NRC, the committee emphasized that operating reactors, that the number of new construction, or being planned, receive "immediate attention which provides additional information to help diagnose and follow the course of a serious reactor incident."

Conflicting Proposal

The committee's call for engineering modifications at all 42 of the pressurized-water reactors in the United States contrasts with the recommendations of the NRC staff, which would require the installation of Babcock & Wilcox, the manufacturer of the crippled Three Mile Island reactor. Both have suggested that better training and improved operating procedures are all that is required.

The NRC is not required by law to follow the advice of the committee, but it could come under heavy criticism in Congress and elsewhere if it ignores the recommendations of its senior advisory committee, which is made up of 14 of the leading U.S. reactor safety experts.

The new instruments, known as "reactor protection systems," are designed to detect and respond to abnormal conditions, additional systems to ensure the availability of needed instrumentation, better methods of training operators, and improved security measures within the reactors and the instruments "to help provide improved guidance to off-site authorities."

No Estimates

No immediate estimate could be obtained about the costs involved in installing the new instruments, which the staff expert for the committee, however, indicated that most of the costs would be incurred during the refueling periods when the reactors are shut down for scheduled refueling or maintenance, avoiding additional loss of electrical generating capacity.

Emphasizing their concern, the members of the advisory committee urged the NRC that they recommend a "phased implementation" of the new instruments so that the most critical ones could be installed first. The recommendation concerned pressurized-water reactors — one of the two basic kinds of reactors in the United States and most other nations. Pressurized-water reactors are manufactured by Babcock & Wilcox, the Westinghouse Electric Corp. and Combustion Engineering Inc.

The other major kind of reactor in the U.S. is the boiling water reactor, manufactured by the General Electric Co.

White House Panel Recommends New Controls

WASHINGTON, April 18 (AP) — Major changes in the regulation of research reactors, including low-level radiation control, were recommended yesterday by a special task force formed almost a year ago by the White House.

The task force, made up of representatives from seven federal agencies involved in radiation-related activities, the long-term research on radiation problems must be known, it is stressed.

The task force also said that the agencies with different authority were now trying to regulate nuclear protection, and that there was no one agency coordinating the effort.

The task force noted that the protection now involved in research reactors and the special concerns, meeting frequently with their political leaders in Washington.

In all the Nordic capitals, and particularly here, governments look upon his tour with great seriousness. All the countries called their ambassadors home from the United States for the trip.

The Norwegians were unsettled last summer by incidents involving Soviet trawlers along their northwest coast and by several Soviet violations of the island of Spitsbergen in the Arctic Ocean. Although the episodes seem to have ended for



IN THE SWIM — Mr. and Mrs. Gary Hill watch as one son swims and the other dives off the roof of their home in Cordova, Ala., near Warrior River that flooded last week. In Jackson, Miss., the flooding of Pearl River appeared to have peaked, but officials predicted that it would be about a week before about 12,000 evacuated residents could return home.

High Court Clears Entry to Install Bugs

By Robert C. Siner

WASHINGTON, April 18 (AP) — U.S. law officers, to install court-ordered surveillance devices, do not need warrants specifically authorizing them to enter private premises, the Supreme Court ruled today.

In a 5-to-4 decision, the high court held that judges, in authorizing the use of electronic eavesdropping, implicitly permit entry to install such devices and that neither the Constitution nor federal law requires law-enforcement officials to obtain separate warrants.

Justice Lewis Powell Jr., on behalf of the majority, wrote: "Often, in executing a warrant, police may find it necessary to interfere with privacy rights not explicitly consid-

ered by the judge who issued the warrant."

It would be "empty formalism" to require judges to "make explicit what unquestionably is implicit in bugging authorizations," he added.

Chief Justice Warren Burger and Justices Harry Blackmun, William Rehnquist and Byron White joined in the majority.

Justice John Stevens, in a dissenting opinion, said that such a ruling violated both the Constitution and state law. "Until Congress has stated otherwise," he declared, "our duty to protect the individual should hold sway over the interest in more effective law enforcement."

In another dissenting opinion, Justice William Brennan Jr. said that such a break-in is particularly "susceptible to abuse since it leaves naked to the hands and eyes of government agents items beyond the reach of constitutional safeguards."

Justices Thurgood Marshall and Potter Stewart also dissented.

In other actions today, the Supreme Court:

• Ruled unanimously that exemptions under the Freedom of Information Act do not give companies the right to stop the federal government from disclosing company documents.

Justice Rehnquist, speaking for the court, held that "Congress did not design the FOIA exemptions to be mandatory bars to disclosure."

He noted, however, that information could be suppressed if a company showed that its disclosure would violate a law protecting trade secrets.

• Ruled 6-to-3 that a journalist

If Carter's Fuel Plan Works U.S. Hopes to Avert Summer Fuel Crisis

By Robert C. Torth

WASHINGTON, April 18 — The government held out hope yesterday that U.S. drivers can avoid a gasoline shortage this summer if President Carter's plan to cut both U.S. imports and consumption is implemented, quickly — and if there are no new disruptions in the Middle East.

But Department of Energy officials nonetheless urged Congress to give them power to close gasoline stations on weekends and order fuel-saving thermostat settings for heating and air conditioning — 65 degrees in winter, 80 degrees in summer — in public, commercial and industrial buildings.

They made the statements in issuing the department's plan for coping with oil shortages following the Iranian revolution. Officials said that the success of the plan depends not only on U.S. actions but also on two international factors:

• "Iran must be rock-steady" in continuing to export the 2.5 million to 3 million barrels a day achieved since it resumed production. Further political unrest and technical problems, such as pump failures, could disrupt the flow.

• Saudi Arabia and other oil-exporting states in the Middle East and South America must maintain current production levels, which are higher than projected last year as they have sought to make up for the Iranian cutoff.

To give all possible sides of the oil picture, an official at the briefing presented the most pessimistic outlook. If things go badly, he said, "we could remember this as a year in which we were all very uncomfortable."

For one thing, he noted, there are signs of gasoline shortages starting about June 1 because the

California Town Backs Marijuana

BERKELEY, Calif., April 18 (AP) — Voters here endorsed measures all but legalizing marijuana and prohibiting the use of city funds to support South Africa's apartheid government.

The city is the home of the University of California's most prestigious campus, the scene of violent activism in the 1960s.

The marijuana measure would prohibit spending city funds to enforce state and federal laws against marijuana smoking. It directed city officials, including police, to lobby for repeal of such laws. The South Africa initiative would ban the deposit of city money in banks with direct or indirect ties to South Africa.

New Mexico state tax on electricity generated within its borders but transmitted for use outside the state.

Drugs Seized in Pakistan

RAWALPINDI, Pakistan, April 18 (UPI) — Narcotics agents confiscated three tons of opium and marijuana yesterday, officials said.

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He noted, however, that information could be suppressed if a company showed that its disclosure would violate a law protecting trade secrets.

• Ruled 6-to-3 that a journalist

being sued for libel may be compelled to answer questions about the thoughts and opinions that he or she held while preparing the allegedly defamatory news story.

In a major defeat for the news media, the court held that journalists have no constitutional protection from such questions, adding that such absolute protection would "substantially enhance the burden of proving actual malice, contrary to the expectations" of past libel rulings.

In a 1964 decision, the high court held that public officials and public figures, in order to obtain libel judgments against the news media, must prove "actual malice" — knowledge that a statement was false or "reckless disregard" for whether or not the statement was false.

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1960 Prediction Is Advanced

Russia Stakes a Claim to Jupiter's Ring

By Theodore Shabad
NEW YORK, April 18 (NYT) — The Soviet Union, reacting to the discovery of a ring around Jupiter by the Voyager-1, has claimed joint credit for the discovery, contending that a Soviet scientist predicted its existence as early as 1960.

Always sensitive to the question of priority in scientific discovery, Moscow advanced its claim earlier this month in Izvestia, which published an interview with Viktor Ambartsumyan, an astronomer.

Mr. Ambartsumyan, director of the Byurakan Observatory in Soviet Armenia, said that the existence of a ring around Jupiter and of vol-

canic activity on its moons was predicted by a Kiev University professor, S.K. Vekshvatsky, and discussed in a scientific paper published 19 years ago.

The astronomer said that Mr. Vekshvatsky reiterated his prediction in 1969 and in 1972 and that his papers had been translated into French and German. Mr. Ambartsumyan said that he thought it unlikely that the U.S. team working with Voyager-1 could have been unfamiliar with those findings.

The spacecraft, in passing by Jupiter early last month, identified both a volcanic eruption on Io, one of Jupiter's 13 moons, and what

appeared to be a thin ring of rocky material circling the planet. Scientists speculated that the debris might be the remains of a moon that had been torn apart through stresses exerted by Jupiter's gravity.

Mr. Ambartsumyan said that the prediction of a ring around Jupiter was first published in 1960 in a journal of the Armenian Academy of Sciences, Physical-Mathematical Series, which is available for distribution abroad. The scientist quoted the following passage:

"The existence of active ejection processes in the Jupiter system, demonstrated by comet astronomy, gives grounds for assuming that Jupiter is encircled by comet and meteorite material in the form of a ring similar to the ring of Saturn."

The paper by Mr. Vekshvatsky was said to have demonstrated the existence of the ring and to have noted that it was so thin that it could not be detected by telescopes.

These conclusions, Mr. Ambartsumyan said, although challenged at the time by others in the Soviet Union, were reprinted twice in collections of articles titled "Problems in Contemporary Cosmogony" and translated abroad.

In raising the issue of scientific priority, Mr. Ambartsumyan said that the applicable precedent was the discovery of the planet Neptune in the 19th century. The existence of Neptune had been predicted by astronomers, notably by Urbain Leverrier of France, on the basis of observed irregularities in the motion of Uranus, the nearest planet.

Neptune was first seen by John Galle of Germany in 1846, in the precise spot where Leverrier's calculations had placed it. Both Leverrier and Galle are usually credited with the discovery.

The Soviet scientist, when asked whether the discovery of the Jupiter ring and of volcanic activity on its moons should be credited to Mr. Vekshvatsky alone, replied:

"No, the American investigators working with Voyager-1 have not only fully confirmed Vekshvatsky's findings, but contributed to the formation of their own. Their observations provided the size and thickness of the ring, the size and number of volcanoes on Jupiter's moon, and other details. The credit must go to Vekshvatsky and to no less a degree to our American colleagues."

Carter B. Corder, 60, Is Dead, Was IHT Advertising Consultant

PARIS, April 18 (IHT) — Carter B. Corder, 60, advertising consultant to the International Herald Tribune for more than 10 years, died today at the American Hospital of Paris following a brief illness.

Born in Portland, Ore., on May 22, 1918, Mr. Corder was reared in Pasadena, Calif., where movie lots were his playground — his favorite was the set for "The Hunchback of Notre Dame" — and his friends were from the world of cinema and art.

After receiving a BA degree at the University of California in Los Angeles, Mr. Corder began his career as an advertising copy writer in New York in 1938. He worked for Batten, Barton, Durstine & Osborn, for Compton Advertising, Inc. and for Foote, Cone & Belding on such accounts as Old Gold cigarettes, Armstrong Linoleum and Procter & Gamble and Lever Brothers products.

In 1963, he was sent to Frankfurt as creative director for Foote, Cone & Belding. He was transferred to Paris in 1967 as creative director of the Paris and Brussels agencies.

He left Foote, Cone & Belding in 1970 to create his own agency, Advertising Publicité, in association with Bill Chevallier. The partners separated in 1977, when Mr. Corder created Camdon Publicité.

Mr. Corder first worked with the International Herald Tribune when he was with Foote, Cone & Belding, and the newspaper re-

tained him as consultant through his two successive ventures.

Mr. Corder leaves his wife, Virginia Shook Corder, and his sister, Nancy Rubin.

Maria Korzhinska

LONDON, April 18 (Reuters) — Soviet-born Maria Korzhinska, 84, whose harp playing won new recognition for a once neglected instrument, died at her home here yesterday. She began her career at Moscow's Bolshoi Theatre, but left the Soviet Union in 1926 and settled in London.

S. William Halperin

LA JOLLA, Calif., April 18 (AP) — Author and retired University of Chicago professor S. William Halperin, 74, died at his home here on Sunday.

His career spanned four decades at the University of Chicago. He also taught at the University of New Delhi, Wayne State University in Detroit, Tulane University in New Orleans and the University of Virginia. He retired in 1970. His specialty was European diplomatic history.

Jorge Mantilla Ortega

QUITO, Ecuador, April 18 (AP) — Jorge Mantilla Ortega, 71, a former diplomat and editor and publisher of El Comercio newspaper, died Monday following a traffic accident.

DEATH NOTICE

On April 18, 1979, of the American Hospital of Paris

CARTER B. CORDER

passed away after a brief illness of the age of 60. His professional and personal relationships with the International Herald Tribune for more than a decade earned him the love and respect of the entire staff.

His many friends and associates of the paper wish to pay tribute to his professionalism, talent and dedication.

We shall all cherish the memory of the very special man Carter was. Our condolences and affection are expressed to his wife, Virginia Shook Corder, and his sister, Nancy Rubin.

All the wish of Mr. and Mrs. Corder the funeral will be private and it is requested that flowers be omitted.

14 Die in Blast in India

NEW DELHI, April 18 (Reuters) — Fourteen persons were killed and seven injured when lightning struck a hut where materials for rock blasting were stored in a northern India mountain village, officials said yesterday.



UNEXPECTED CATCH — Part of a bronze statue of Augustus, the first Roman emperor (27 B.C.-A.D. 14), was netted by Greek fishermen. The statue depicted Augustus on horseback, but his legs and the horse were not found.

Tablets May Support Bible

Syrians Said to Suppress The Clay Record of Ebla

By Boyce Rensberger

NEW YORK, April 18 (NYT) — A leading archaeology journal has charged that Syrian authorities are trying to suppress the findings of scholars who are deciphering the huge cache of inscribed clay tablets discovered amid the 4,500-year-old ruins of the kingdom of Ebla.

The recent discovery of the city-state of Ebla in Syria, with the thousands of tablets in its palace archive, is regarded as one of the great archaeological finds of the century. Research at Ebla is shedding light on the political and economic nature of one of the most ancient large cities.

The controversy stems, however, not from such secular matters but from the religious and ethnic affinities of the Eblaites people. Preliminary reports from the scholars suggested that the tablets contained numerous references linking Ebla to the world of the biblical Hebrews.

The tablets reportedly contain references to persons with names resembling those of the ancient Hebrew patriarchs and to prominent cities in biblical stories — cities that heretofore were thought to have been mostly allegorical. Some familiar with the project have gone so far as to suggest that the ancient Eblaites may have been early Hebrews or, at least, that Ebla was a stronghold of Hebrew cultural influence.

Syrian Pressure

Syria, whose recent policies have been strongly anti-Zionist, reportedly has exerted pressure on archaeologists and linguists working at the Ebla ruins to stop speculation on biblical links and to emphasize instead Ebla's role in "proto-Syrian history." The Ebla research is being conducted by an Italian team whose continued access to the site depends on permission from the Syrian government.

The charges of improper political interference were made by Hershel Shanks, the editor of Biblical Archaeology Review, the journal of the Washington-based Biblical Archaeology Society.

In a lengthy article in the current issue, Mr. Shanks also calls for prompt publication of some key tablets that, at least until recently, were said to contain important biblical references. Not one of the 15,000 or more tablets has been made available, even in a legible photograph, to the scholarly community.

Details of the tablets' content has come almost entirely from the linguist who first deciphered their Semitic language. That linguist, Giovanni Pettinato of the University of Rome, has since issued a subtly worded "declaration" saying that news media have exaggerated the biblical implications of Ebla.

Since writing his declaration, Mr. Pettinato has resigned his position with the Ebla research team. He and Mr. Matthiae long had been feuding over a number of matters, and at one point, Mr. Pettinato was removed from his position as sole translator of the tablets and made one of 10 members of an international committee of linguists that was to do the translations.

According to Biblical Archaeology Review, Mr. Pettinato resigned because he was dissatisfied with the way Mr. Matthiae was running the committee. Paraphrasing Mr. Pettinato's remarks, the magazine said, "The way Matthiae is organizing things, the Ebla tablets won't be published for 300 years."

The director of the Italian team at Ebla, Paolo Matthiae, also has repudiated the biblical connections. In the same issue of Flash of Damascus, Mr. Matthiae is quoted as calling the biblical links "anti-scientific and anti-historical speculation that I vigorously deplore."

Mr. Matthiae, who is an archaeologist but is not directly involved in translating the tablets, has not been as prominently associated with the biblical speculation as Mr. Pettinato. He has, however, written and lectured about the connections before scientific audiences.

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"We are not authorized," he wrote, "to make the inhabitants of Ebla 'predecessors of Israel.'"

The statement was issued at the request of the Syrian Antiquities Department and was published in a Syrian government magazine called Flash of Damascus. Although the statement does not flatly deny an Ebla-Israel link, the English-language magazine commented that the statement "refutes all Zionist allegations aimed at defacing Syrian Arab history and emphasizes the antiquity of the Syrian civilization and its wide fame."

Before issuing the statement, Mr. Pettinato had described, in articles and speeches, a number of connections between Ebla and the Bible. These include an Eblaitic creation-and-flood story resembling those of Genesis; personal names akin to Abram, Esau, Isaac, Michael, Saul, Ishmael and David; all of which figure prominently in the Bible; the names of several cities otherwise known only from the Bible; and references to deities named El and Ya, biblical names for the god of the Hebrews.

None of the documentation for these statements — the actual tablets — has been made available to the public. Although long delays in publishing archaeological discoveries are common, Mr. Shanks suggested in an interview that Syria's political pressure may also be playing a role in keeping the Ebla tablets under wraps.

"I can't think of any other funds that are as directly significant for helping us understand the Bible as these tablets would be," Mr. Shanks said. He added that they may surpass the Dead Sea Scrolls in significance because those documents did not bear directly on the authenticity of biblical stories. If early reports are correct, the Ebla tablets could well establish whether key parts of the Bible are historically accurate.

Aside from its religious significance, the Bible is one of the few written records about a crucial period in the early stages of civilization.

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Life With Norman

A Writer-in-Residence Chez Mailer

By Judy Klemesrud

NEW YORK, April 18 (NYT) — Norris Church is the kind of woman you always notice at a party. First, she is usually the most beautiful woman there, which is not easy in a city where it seems every other woman looks like, or is, a fashion model. She is tall and slender, with almost eerie reddish-brown eyes that match her Auburn hair, and chabby white skin that seems to have no pores. Another reason you notice her is that the shorter man constantly at her side is Norman Mailer.

Miss Church, 30, is Mailer's live-in companion, cook and the mother of his eighth child, John Buffalo, who will be a year old Monday. But if that sounds as though she is little more than a Mailer handmaiden, consider that she recently gave her agent 100 pages of her first novel, "Little Miss Little Rock," about a child beauty-contest winner in Arkansas who grows up and moves to New York. It is "kind of" based on her life, she said, seeing as how she won the title of Little Miss Little Rock when she was 3 and now lives in New York.

She is also trying to get enough oil paintings finished so she can have a one-woman show, and she will soon co-star in an experimental stage production of a Lanford Wilson comedy, "Lucky, Nye, Nye, Nye," directed by Mailer.

What may come as a surprise to some who view the 56-year-old Mailer as the male chauvinist of the Western world, Miss Church says that he "encourages" her to have a career.

"He's very pro-woman," she insisted the other day in the triplex co-op apartment she and Mailer and four children (two his, one hers, one theirs) share in a Brooklyn Heights brownstone.

"Hard to Shake" — "He got that bad reputation years ago, and it is hard to shake," she went on, in her soft, Southern accent. "But he has been very nice to me, and encouraged me to do anything I wanted to do."

Miss Church met Mailer in March, 1975, in Russellville, Ark., where she was teaching high school art; he had come to visit a friend from World War II days.

"I walked in and had on blue jeans and a shirt tied at the waist and tall wedge shoes, and I was about 6-foot-2. Well, Norman is 5-foot-8. I walked up and said, 'How are you, Mr. Mailer?' and he turned around and walked out of the room."

Still, the two wound up having dinner that evening. They discovered they were born within a minute of each other on Jan. 31 ("He was born at 7:04 and I was born at 7:05") and got along "very well."

He seemed fascinated, she said, to learn about her humble upbringing in Atkins, Ark. She, in turn, found him "charming, funny and witty" — and very sexy. He has this way of talking to you that makes you feel like no one else is in the room.

Return Engagement

Two weeks later, Mailer returned to Arkansas to visit Miss Church, who then went by the name of Barbara Norris, and her son, Matthew, now 7, whom she had during a three-year marriage to a wildlife biologist.

That summer, Miss Church quit her teaching job; sold her house, and, over the objections of her parents, moved with her son to Brooklyn Heights. "Isn't that crazy?" she said. "I'd never been out of Arkansas before."

She really wasn't worried, she said, about Mailer's track record with women: He has been married twice and is currently involved in a messy divorce suit with wife No. 4, actress Beverly Bentley, who has accused him of philandering during the six years they were together.

"From the very beginning, I thought Norman was the nicest



Norris Church, left, and lawyer Monroe Inker follow Norman Mailer after a midwinter hearing in Mailer's protracted divorce proceeding with fourth wife, actress Beverly Bentley.

man I'd ever met," Miss Church said. "Oh, I knew about his past when I came up here, but it didn't worry me. I can take care of myself. When I was divorced before, I didn't ask for alimony. I think it's ridiculous. I was teaching and making \$7,200 a year, and I was able to support myself and my son."

Compatible Charts

Adding to her confidence was the fact astrological charts showed them to be compatible. "Most of the things I had, he didn't," she said, "and most of the things he had, I didn't. It was like a key and a lock. I wasn't poetic, and he was, and I was more down to earth than he was."

In New York, she changed her name from Barbara Norris to the more dramatic Norris Church, and went to work as a model at \$75 an hour. She quit when she got pregnant with John Buffalo, and gained 60 pounds. "I've lost it all but 10 pounds," she said, adding that her normal weight is 115.

Modeling was "a lot of fun," Miss Church said, and so were all the glittery parties she and Mailer attended.

But at high-powered literary gatherings, Miss Church said the first thing she learned was to "keep my mouth shut. I'm not an intellectual," she explained.

Miss Church said she is able to do her writing and painting be-

cause a woman comes in five days a week to care for John Buffalo. She does most of the cooking "very simple, good old Southern cooking" — as well as pay Mailer's bills.

"\$500,000 in Debt"

"We're \$500,000 in debt," a complained. "Our house in a vineyard was just seized by a IRS for back taxes, and we have to sell it within 20 days. Norm makes a lot of money, but he's supporting 14 people, including 10 children in college and four in private schools. After all the alimony checks are mailed and kids' tuition paid, we wind up with only \$300 a year to live on."

Miss Church indicated that a couple's financial situation, though soon improve, since Mailer has finished a book on Gary Gilmore, "The Executioner's Song," which will be published this fall by Little Brown. Next, she said, she plans to work with Milton Greene on a book about Greene's photographs.

Is marriage in the future? "I plan on it, but it doesn't really bother me that we're not married," Miss Church replied. "Of course, Arkansas, where I was raised, is strictly in the Baptist Church, you don't run off and live with someone you're not married to. As a result, think the people in Arkansas a half-horrible and half-proud about what's happened to me."

Balladry

Mellowed Ives, Glass of Water And Guitar Mesmerize 3,000

By Henry Pleasant

LONDON, April 18 (IHT) — With his 70th birthday coming up June 14, Burl Ives has turned his back on Hollywood and Broadway and returned to his first love: the ballads and folk songs he learned at the knee of his grandmother as a boy in Illinois.

At the Royal Festival Hall Monday night, he gave the second in a series of concerts that will take him to 30-odd cities and towns in England and Scotland, which is Ives' lot of his songs came from. Some of his British listeners familiar with this rich literature may be surprised at the variants that have infiltrated those songs over the years and in transit across the Atlantic and back — not to mention those attributable solely to the fertile musical imagination of Burl Ives.

Big Daddy Turned Uncle

There is nothing musical about Ives' approach to British — or American — balladry. His is the singing of a man whose concern comes from his heart rather than his head. It is the singing, too — and the talking — of a master

showman, raconteur and entertainer.

Big Daddy of "Cat on a Hot Tin Roof" has become genial Uncle Burl, inviting family, friends and neighbors to gather round the fire and listen to the often male choly tales and legends of long ago. He invites them to join in no time to time, too, which Monday capacity audience did with wide pleasure and surprising aplomb.

If there was fun and fascinat in this performance, there was less, too. At a time when young minstrels are wont to appease backup bands and support voices, amplified to an ear-splitting 100 decibels or thereabouts, it was heartwarming to see a perform alone on the stage — except for erratically tuned guitar, a tumb of water and a single mic — holding the attention of 3,000 people for just over two hours, taking time, never raising his voice, in song or in speech, above conversational level. It's nice to know that it still can be done. takes a master to do it, of course. But then, it always did.

Russian Icons

Thefts Aid in State Control of Church

By Seth Mydans

MOSCOW (AP) — Bands of men with canvas sacks are breaking into churches, scooping richly ornamented icons off the walls and disappearing into the night to sell them for huge profits.

The thefts are getting publicity in the local press as part of a government attempt to bring religious artifacts — even those in private homes — under its control, and to cut off the massive and lucrative smuggling of icons out of the country.

Some of the published reports on icon thefts are accompanied by proposals that all icons be registered with the government and that churches be more securely locked. These proposals would have the additional effect of making it more difficult for individual believers to acquire religious materials, and of making churches more difficult than ever to enter.

Even the small family icons, handed down through generations and hanging with lighted candles in the corners of village houses, would be brought under "state protection" and registered with authorities.

"All historical treasures on the territory of our country fall under the protection of the state, no matter if they are held by the government, by social organizations (including churches), or by private persons," the newspaper, Sovetskaya Rossiya said recently.

The newspaper told of two groups of "collectors" who special-

ized in swindling country folk out of their icons and of in breaking into churches. In a few months time, before they were rounded up and brought to trial, it said, they had amassed more than 6,000 rubles (about \$9,000).

From December, 1977, through last July, a man named Vysotsky led his band in the nighttime thefts of 10 churches and private homes around the city of Vladimir, one of Russia's great church centers, the newspaper reported. They hauled away their loot in canvas sacks.

A man named Zuyev reportedly led another ring that posed as artists, said the report, bilking unsuspecting villagers out of ancient icons worth up to 600 rubles apiece. If a villager refused, Zuyev's men later broke in and stole the object.

Similar stories were told in a series of articles last October in the cultural biweekly Sovetskaya Kultura, which also made a call for stricter control of "national treasures" and for the registration of all icons. It also proposed a campaign to teach country folk the worth of their icons so they would not fall prey to speculators.

The outcome of the recent trials was not disclosed, but Sovetskaya Rossiya described derisively some of the witnesses — "amateurs" who made a hobby of buying up artifacts for themselves and became accomplices in the crimes. They included artists, an engineer, a band leader and a psychiatrist, all unauthorized collectors of icons, relig-

ious books, ornate crosses and other artifacts.

"They pronounced high-sounding phrases with a sanctimonious and blasphemous sound about the generous attempts to save artifacts for posterity," said a newspaper account.

Soviet authorities take a similar attitude toward foreigners who buy icons, paintings and samovars and who have, over the years, smuggled thousands of them out of the country in luggage or in diplomatic pouches.

In the last 18 months, officials have ordered tighter controls on export of art objects, and have notified foreign embassies of a concerted procedure in which all objects must be declared two weeks in advance and presented for inspection.

"They have lost a tremendous amount of art in recent years," a Western diplomat, referring to the authorities' previously lax attitude toward icons.

But the Soviets have now lost both the financial and artistic value of these objects, and are trying to bring them under control. Millions have embarked on major projects of collecting and restoring icons, and summer expeditions launched into the heartlands of the cover and collect hidden world religious art.

But restoration moves far slowly than collection, and hundreds of icons, once held in reverence by a believing population, now stacked quietly in the basements of museums.

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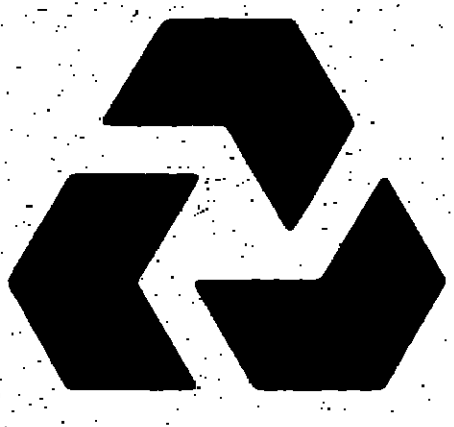
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Mideast War Goes On

A bomb blast in the arrival area of Brussels airport and gunfire in one of its restaurants must have shocked many Europeans into a realization that, despite the Israeli-Egyptian treaty, there is still a war in the Middle East. Bombs on buses and in marketplaces had already made the Israelis quite conscious of that, while Israeli reprisals along the Lebanese frontier spread the unhappy news farther.

The principal single factor in this warfare of terror is the Palestinian liberation movement in its various aspects. And there are two solutions to the problem which suggest themselves — both of which should be applied at the same time.

One is an intensification of the international campaign (which is presently sadly flawed) against terrorism. The alert guards at the Brussels airport are one form of defense. Another should be international measures against those states which support terror. For one of the evils, and one of the strengths, of terror is its irresponsibility. When a nation acts against other countries in open war it knows full well that its people may have to pay, during the fighting or after defeat, for what has been done. Among terrorists, only the actors themselves are liable to penalties, in most cases; their cause may gain or lose morally but for all practical purposes it is

only the actual bombers or gunmen who are directly involved.

Penalties may be extended, as reprisals by Israel and Rhodesia have demonstrated, to those who live in or near a terrorist base. But nations have supplied terrorists with arms and training without assuming any responsibility for what those contributions may do to others. And this should be changed on an international scale, with some kind of system of sanctions that would at least make states and movements more cautious in using this type of warfare.

But two major conditions for peace must be faced if there is to be any hope of restoring genuine stability to the Middle East — and to those aspects of world affairs which are affected by the situation there. One of these is the recognition by the Arabs that Israel is a fact; that it exists by international action and will continue to exist. The other is the recognition by Israel of the Palestinian fact, of a people that have dwelt in that region for millennia and are entitled to their own government.

Neither of these can be easily accepted by the two sides. Yet they do remain essential features of any rational settlement, of any real end to the continuing war in the Middle East.

Questioning the Saudis

The Senate Foreign Relations Committee has provoked instant controversy by releasing a gloomy assessment of future Saudi Arabian oil exports. The State Department and the oil industry believe that the report's use of proprietary technical information has angered the Saudi government. But in the debate over whose feathers were ruffled, the issue underlying the report should not be obscured: Can the West count on the Saudis to produce more oil?

The oil-importing nations are depending heavily on Saudi Arabia, home of a third of the world's reserves, to raise output sharply in the 1980s. The Senate staff report is useful because it assesses what the Saudis will be able to do and what they are likely to do.

Still, the report could easily be misinterpreted. If what filters through all its discussion of maximum sustainable capacity is only a general sense of pessimism about Saudi exports, little will be gained. In fact, some officials worry that, interpreted uncritically, the pessimism could be self-fulfilling.

Everyone agrees about some of the facts. In 1976, Aramco, the oil company consortium that operates the Saudi oilfields, estimated they would produce about 20 million barrels a day in 1986. Now Aramco estimates only 12 million barrels. That would mean extremely tight oil supplies, and much higher prices. And unless the consuming nations move aggressively to conserve or switch to other fuels, they would become acutely dependent on each major producer — including radical Iraq and Libya.

What everyone does not agree on is why Saudi production is likely to fall so far short of past estimates during the critical years ahead, before alternative fuels become readily available. Does the low target merely imply a Saudi decision that oil in the ground will be more valuable? Or are the Saudis technically incapable of sustaining greater output?

The Senate staff report, based on data from Aramco, suggests the former. The feasible production rates for the 1980s and the total amount of oil ultimately recoverable from Saudi fields are lower than once believed. But with a substantial investment in additional facilities, Saudi Arabia could almost certainly produce 14 to 16 million barrels a day starting in 1986 and continuing into the late 1990s. The Saudis, however, would plainly prefer to limit production to 12 million barrels. That would increase the amount ultimately paid for the oil and postpone the day when oil revenues decline.

The report offers no reason to let the Saudis off the hook politically. It remains up to the United States to convince the Saudis that greater production is in their interest because it would help stabilize the Western economies. But it would be foolish for the West to stop at that and to bet on more than 12 million barrels. The underlying message is clearer than ever: The United States has to reduce its dependence on foreign oil.

THE NEW YORK TIMES.

Trading by the Rules

In the past 10 years, the volume of world trade has doubled and the U.S. standard of living has risen by nearly one-fourth. There is a relation between these two developments. The steady expansion of trade among nations has been one of the driving forces behind the economic growth that has continued in the United States and in most other countries. To keep these trends going, most of the world's governments have joined in negotiating the new trade rules that some of them began initialing last week in Geneva. For the United States, the debate over these rules will come home in a big way next month when the administration asks Congress to enact them into law.

In the past, this kind of trade negotiation has been directed at reducing tariffs. But tariffs are now so low for most kinds of goods that they have little effect on trade. This time the negotiators have attempted to address the other, much more complex devices that can give one nation's products an unfair advantage and hurt the sales of others.

Most of the rich nations, for example, subsidize their exports with cheap loans to foreign buyers. The competition in providing bigger and cheaper loans rapidly becomes self-defeating, and governments have come to see the need for limits. But then other and more subtle issues arise: Exactly what constitutes a subsidy? What about the low-interest loan by a government-controlled bank to an industry producing for export? What about the continuous deficits of state-owned Euro-

pean industries? Subsidies and tax breaks are deeply engrained in all of the advanced economies. Until now, there has been no consensus on what is and is not acceptable in world commerce.

Most countries enforce extensive health and safety standards on imports. Some of these standards are so onerous that they keep out the imports altogether. Then the arguments start over whether the standards have a legitimate purpose, or are merely a veiled attempt at protectionism. Japan, for example, requires a careful safety inspection of electrical goods. U.S. manufacturers charge that the inspection of the foreign products is deliberately pokey to keep them out. European manufacturers have wondered whether some of the U.S. automobile safety requirements were not devised with the thought of making it a little more expensive to import foreign cars. With the vast expansion of trade in recent years, very large amounts of money are at stake in this kind of question.

Trade, of course, is never solely a foreign-policy issue. The benefits of trade are real and important; but when imports rise, it means that they are taking customers away from domestic industries. So Congress is shortly to be confronted with a painful paradox: To advance the national prosperity, it is going to have to vote for policies that inflict specific and local damage on some of its constituents. If President Carter intends to argue the case for the national interest in trade, he cannot begin too soon.

THE WASHINGTON POST.

In the International Edition

Seventy-Five Years Ago

April 19, 1904

ST. PETERSBURG — There has been much criticism of the piecemeal way in which the government released the news of the sinking of the battleship last week at Port Arthur. The first report recorded that the battleship had been blown up by a mine, while the truth was that a severe engagement with the Japanese had taken place and three other ships were damaged. One newspaper said: "Such cynicism towards humanity is unpardonable." Another journal said: "It is a supreme consolation to know that the valiant sailors died in the fever of combat, and not through an absurd accident."

Fifty Years Ago

April 19, 1929

PARIS — After nearly 10 weeks of negotiations, the Paris reparations parley broke down yesterday in so far as its primary purpose — that of fixing the annuities to be paid by Germany — is concerned. The parley was described as having "completely failed" to reach an accord on this question. One factor in the deadlock was the introduction of political questions into the conference. The German delegation is stated to have gone so far in its memorandum to ask "in fact," though not in so many words, a revision of the Treaty of Versailles.



Rhodesia's Stark Alternatives

By Jonathan Power

ROME — The long saga of Rhodesia has been reduced by the attrition of time and events to two stark alternatives both at least 30 degrees away from the mean. This week's election tells us unmistakably that the middle way of the last few years of Western diplomacy is no longer either adequate or viable.

On the one side is Ian Smith, the man who led his minority white population into rebellion against the British in 1965. With him are the three African leaders, Bishop Abel Muzorewa, Chief Jeremiah Chimurenga and Ndabani Siphile, who decided after years of protracted negotiation to throw in their lot with the white regime.

Bishop Muzorewa, who is likely to head the new multiracial government, will have in all probability Mr. Smith as his minister of defense and a white-led, South African supported, army to keep him in power.

On the other side are the Patriotic Front armies led by the sometime allies of Mr. Siphile and Bishop Muzorewa. It is a divided army with one wing, Zanu, based in Mozambique, under Robert Mugabe and the other, Zapu, in Zambia under Joshua Nkomo. The chances are that once they defeat the new Salisbury regime in war, a near inevitable outcome, they will fight each other for the spoils.

It was just such a choice between two unpleasant alternatives that British and U.S. diplomacy has been struggling to avoid. First, in a last-minute effort by Henry Kissinger in 1976 and more recently by the sustained diplomacy of Messrs. David Owen, Andrew Young and Cyrus Vance. Tragically their efforts have been in vain. Their carefully conceived plan of compromise, the so-called British-U.S. plan, has never won the support it deserved.

In the next month or two, the pressures will mount in Western capitals to lean towards, if not to recognize, the Muzorewa government. The arguments in favor are not insubstantial. This will be a government committed to keeping Rhodesia's highly successful economic infrastructure intact.

The whites will be encouraged to stay. Land reform and the promotion of blacks will only be done at a pace the whites will tolerate. Socialism, never mind Marxism, will be kept at bay. All that is needed for a real takeoff, it is said, is a lifting of sanctions and the injection of foreign capital.

Now after the Mideast peace treaty has finally been signed by President Sadat of Egypt and Prime Minister Begin of Israel, I believe it might be wise if these two gentlemen would begin forthwith to start with joint projects beneficial to both countries.

I read that Israeli scientists have discovered a huge fresh water lake deep underneath the Sinai desert which by means of modern technique could be brought to the surface. If this information should prove to be correct it would be an ideal undertaking for Egypt and Israel to exploit together this find and to build settlements around this lake. The establishment of these settlements could help to reduce unemployment in both countries and could even serve for the resettlement of Palestinian refugees still living in camps, who could then make the desert bloom.

This would certainly be a great contribution for peace in this area and the money spent on this venture would thus be far better employed than for the acquisition of new weapons.

HAL HALLER, Munich.

Tanks, Anyone?

There are days when some of the items in the International Herald Tribune lead me to think that we are not long for this world.

You report from Wellington (IHT, April 12) that the New Zealand Army is postponing the purchase of tanks, not only for a while.

Can someone tell me what you can use a tank for in New Zealand of all places?

FRANCIS M.S. PEEL, Geneva.

Nevertheless, in the harsh light of the African day, such a policy would be foolhardy.

No matter how much military aid the South Africans give the new Rhodesian government, they can never match the support given to the Patriotic Front by the Soviet Union and the Chinese. Moreover, no independent military analyst disputes the conclusion that the war is already more than half won.

To turn it around would require direct South African involvement. There are already worrying indications that this has begun. I have received reliable reports that South African military helicopter personnel are working with the Rhodesian security forces. But serious South African direct involvement is the one thing that would persuade the leaders of the front-line states that it was time to call in the Cubans and all that goes with it. They may shy away from that decision as long as possible. They know if it happens, their own personal power bases may suffer erosion. In the end, however, as happened in Angola four years ago, they will make the choice to drive South Africa out, by whatever means are at hand.

The two big questions the Western powers should now be addressing themselves to are these: First, how to persuade a Muzorewa-Smith government to negotiate with the Patriotic Front on much more generous terms than either Smith or Muzorewa have so far contemplated. Second, how to avoid a bitter drawn-out civil war between the two wings of the Patriotic Front. On the first, the methodology can only be indirect.

A successful outcome of the Namibia negotiations with the injection of UN troops would be a useful contribution. At least it would show all the Rhodesian parties how a just and honorable transition might be organized. But maybe the war has gone too far for Namibia to be anything more than a shadow as far as Rhodesia is concerned.

The more pertinent question is how to persuade Mugabe and Nkomo to bury their differences. At the moment, with Mugabe being bankrolled partly by the Chinese and Nkomo by the Russians, the rivalry is not easy to contain.

British-U.S. policy, too, particularly when it engaged in helping the Smith-Nkomo meeting last August, has at times been divisive.

The West should be doing two things. It should lend little influence it has to those African lead-

ers, who are trying to pressure the Russians to diversify their support. And it should make it clear to the Patriotic Front that the \$1.2 billion fund promised under the British-U.S. plan to restore the Rhodesian economy will be made available to them when they come to power but only if they settle the leadership question through UN supervised elections.

This strategy may not be greatly successful. A period of chaos and chronic instability may now be unavoidable. The West, however, will have shown it is willing. At the very least, it will have taken precautions against southern African exploding into a major East-West confrontation or even — who knows — into a Soviet-Chinese proxy war.

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The U.S. Position On Taxing Abroad

By Donald C. Lubick

WASHINGTON — At this time of year, the subject of income tax is of course (and often acutely) a concern to U.S. citizens and residents. I know that many of the readers of the International Herald Tribune are U.S. citizens living and working abroad for whom the issue has a special interest this year because the rules affecting them were substantially changed by the Foreign Earned Income Act of 1978.

I think two points (which tend to be overlooked) deserve to be made about the new law. One is that the appropriate taxation of Americans employed abroad has been thoroughly considered, by Congress and the administration, from all angles; the second is that the solution is, although admittedly complex, eminently fair.

Americans employed abroad sometimes believe that they are not appreciated and that their interests not adequately considered by the U.S. government. It is understandable that living at a physical and cultural distance from the United States can promote a feeling of separateness. But I can assure you that in developing the new tax legislation affecting Americans overseas, the views of overseas Americans were very well represented. There are over 85 million U.S. individual taxpayers of whom about 150,000, or less than two-tenths of 1 percent, claim the benefits of the special provisions for Americans working abroad in the private sector (Sections 911 and 913 of the Internal Revenue Code).

Volume of Mail
The volume of mail and number of meetings originating by one half of those taxpayers was extraordinary, on a per capita basis, this issue was given more time in both the executive and legislative branches than any other tax issue in many years. For four years, from the decision of the House Ways and Means Committee in the fall of 1974 to repeal Section 911 to the enactment of the Foreign Earned Income Act in November of last year, the issue of the appropriate taxation of U.S. citizens employed abroad was discussed extensively.

Very few overseas Americans, nearly none, objected to the obligation to pay U.S. income tax. On the contrary, many explicitly accepted that obligation; what they argued for was special relief to take into account their special circumstances. There were differences of opinion as to the nature of the special circumstances, with the major emphasis being given to benefits received from the United States, the effect of various rules on U.S. citizens, and consideration of tax equity.

The issue is really not one of benefits. The largest share of federal revenues are spent on defense and benefits overseas Americans at least as much as those at home. Benefits which depend on residence, like public schools, and police and fire protection are from state and local revenues. Most important considerations are exports and equity, and both these points were given great weight in developing the 1978 law. There is merit to the argument that Americans working overseas often make an important contribution to U.S. export efforts. There are also limits to this argument.

Americans abroad are in various work and geographical situations and some have no connection with U.S. exports. Some, in fact, generate U.S. imports. Furthermore, there are many U.S. residents whose employment generates U.S. exports. And price of many U.S. exports is affected more by the cost of capital than of labor. If what is desired is a strictly an export incentive, relief to Americans working overseas is a rather clumsy tool. But the port effect is one consideration in some cases, particularly construction and engineering services, it is a major one.

The consideration which is important in all cases is equity. fairness. Our income tax law does not allow deductions for various costs within the United States but Americans overseas often do not have the same choice. The new law takes the place of these excess costs and schooling and housing abroad, and other added foreign living costs, and the cost of an annual return to the United States should be deductible as expenses incurred in earning income from foreign sources and, in addition, to the bracket amount or itemized deductions generally allowed.

As a special incentive, the law provides an additional deduction for Americans employed in business areas. These new rules put Americans overseas on a comparable tax level to their counterparts earning the same salary in the United States. In doing so, they reduce the tax burden of employers of hiring Americans overseas benefit exports.

Americans employed overseas are not excluded from the operation of being U.S. taxpayers. They are allowed special deductions for their special circumstances and the relief is given where it is needed. The new law is a logical compromise between the basic obligation to pay U.S. taxes and the unique problems encountered by Americans working abroad. As such, the rules provide Americans overseas a fair and equitable tax system which we hope will remain in place well for many years.

Mr. Lubick, who is Assistant Secretary of the U.S. Treasury for Tax Policy, wrote this article for the International Herald Tribune.

The Pulitzer Prizes

By James Reston

WASHINGTON — This year's Pulitzer Prize for public service by a newspaper went to the Point Reyes (Calif.) Light, a husband and wife weekly, with a circulation of 2,700. It beat all the big city dailies and syndicates with its reporting on Synanon, a drug-rehabilitation center in its neighborhood, which the editors believed had degenerated into an authoritarian cult.

It is one of those romantic Ben Hecht, Ring Lardner, or Horatio Alger stories. Young struggling couple out of Stanford University. David and Catherine Mitchell, trying a little rag of a paper, defying the powerful interests in the community, and winning the big prize.

Well, it's all true — it's David and Goliath, small is beautiful, and all that — but this little personal and local triumph is a symbol of something much bigger in the history of the press and of democracy in the United States.

We are in the middle of a printing revolution in this country, maybe comparable to the invention of movable type. The developments of photocomposition and the offset press have transformed the communication of ideas.

It is no longer necessary or even possible to find professionals who can master the lovely but complicated techniques of the linotype machine in order to set metal slugs and arrange them in steel forms and read them upside down.

The same thing can be done now on modern photocomposition computers, far less expensive than linotypes, by anyone who can master a typewriter, and then, with a clear eye and a pair of scissors, paste up the columnwide rivulets of photocomposition paper into pages for production into thin metal plates for the new modern offset presses.

I talked to David Mitchell at the quaint Reyes Light newspaper in California about how he and his wife had managed to put all this together, with only one other reporter, and somehow had hit the jackpot. He said that they had gambled on the new technology. They sold their house and bought the paper for less than \$50,000, and they all typed and pasted up, and worked together on the news. They couldn't, he said, have afforded to survive under the old hot-metal technology — no way!

There may be an important point here about technology and democracy in the United States. The conventional wisdom is that our machines are destroying our liberty; and that the tax structure and death duties are forcing privately

owned newspapers to sell out to public combines and syndicates. It is true that the number of daily newspapers in the United States is declining, but as people and from the cities to the suburbs and beyond that to the villages, especially along the sea coasts, the weekly or country newspapers are growing and attracting more and more intelligent young people who are looking for a simpler refuge from city life.

Thus, the modern printing technology can be a liberating force. Any group of people, of whatever political, economic, social or religious persuasion, can now, even with limited finances, paste up a newspaper and have it printed by some local job shop.

This competition is going on now all over the United States. The big syndicates are challenging the major newspapers in the suburbs of the great cities. Even in the villages new papers are using the new printing techniques to appeal to limited audiences, and this is a good thing. The Pulitzer Prize of the little paper in Point Reyes, Calif., emphasizes and encourages this spirit of competition.

Obviously, the big daily newspapers and syndicates are not amused by the Pulitzer Prize awards in all cases. Many of them did good work in the last year and hoped for the public service Pulitzer award, and there will undoubtedly be endless controversy about why David and Catherine Mitchell got the gold medal rather than the big papers in New York, Philadelphia, Chicago and Los Angeles.

But who is to say? For every prize recommended to the Pulitzer board, many others are disappointed and some are aggrieved.

Even angry. Life is unfair, and Kennedy, who gained and lost everything in the end, but it is of sorting things out, and of being people who do things right. Herbert Block of The Washington Post, Ed Yoder of The Washington Star, Russell Baker of The New York Times and many others, including David and Catherine Mitchell of The Light, in Point Reyes, Calif.

The theory is that we people what we reward, and the prize to the Mitchells dramatizes the point.

The only trouble with this is the one Pulitzer Prize, the medal for the Mitchells, did include the usual \$10,000 check. Pulitzer board has always said that the winner of the public service award would probably be a paper that didn't need the sand dollars. But the prize needed it more than anybody just to pay for the celebration their neighbors in the city when the news came to Reyes.

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U.S. Halves Amount Of Gold for Auction

From Agency Dispatches

WASHINGTON, April 18 — The United States will halve the size of its monthly gold sale from 1.5 million ounces to 750,000 ounces because of the improving condition of the dollar abroad.

The surprise announcement was made as the Treasury announced the results of the latest sale conducted yesterday.

"The amount of the monthly sale is being reduced in light of improved conditions in the foreign exchange markets and the fact that gold no longer appears to be a destabilizing factor in these markets," a Treasury announcement said.

In London, the price of gold jumped following the news. Trading had been fairly quiet most of the day until the news from Washington. After that "things got very busy," a dealer said. The late quotation in London was \$237.25 bid-asked, up from \$232.25 late yesterday and well over this afternoon's fixing of \$233.20.

U.S. Repays Swap Debt

WASHINGTON, April 18 (Reuters) — The United States has used the recent period of dollar strength to repay all outstanding swap debt to Switzerland and much of its remaining swap debt to West Germany, Carter administration sources said today.

The swaps, short-term loans between central banks, had been drawn on when the Federal Reserve intervened in the foreign exchange market to support the dollar in late 1978 and early 1979. The German swap debt was repaid by end-January, all outstanding yen swaps had already been repaid, but there remained \$447 million of Swiss franc swaps outstanding and about \$4.8 billion of swaps with West Germany.

The German swap debt was divided into two portions comprising \$613 million equivalent between the Treasury and the Bundesbank, which has been fully repaid, and \$4.17 billion between the Fed and the Bundesbank which has been substantially repaid, the sources said. They declined to comment on the extent to which the dollar might continue to firm over the rest of the year or on comments by European commercial and central bankers which suggest it might turn weaker again in the medium term.

Fundamental Change

However, the sources did point out that there are signs of a lasting improvement in one of the fundamental factors affecting the dollar's exchange rate, the trade deficit. Specifically, they noted that there has been a marked shift in the so-called income elasticity for imports, which measures the growth of imports against the rise in gross national product.

Historically, this has been running at a factor of about two, but in the fourth quarter of last year when economic growth was 6.5 percent, imports rose 7.6 percent, giving an import income elasticity factor of little over one. A probable reason for this shift has been the adjustment in exchange rates during the course of last year which has left U.S. industry more competitive, the sources added.

If exchange rates remain stable, this decline in the import income elasticity factor could continue to play a role for at least a year, the administration sources said. Furthermore, the effect of this on the trade balance could be "enormous" if there is a marked decline in U.S. economic growth. A further factor that points to improvement in the trade deficit is a better rate of energy use relative to economic growth, which appears to be a long-term trend that will be intensified by decontrol of domestic oil prices, the sources added.

Company Reports

Revenue, Profits in Millions of Dollars

American Airlines			
1st Quarter	1979	1978	
Revenue	673.30	596.70	
Profits	6.90	7.00	
Per Share	1.04	0.98	
American Can			
1st Quarter	1979	1978	
Revenue	1,040	874.30	
Profits	22.60	19.50	
Per Share	1.13	0.98	
American Home Products			
1st Quarter	1979	1978	
Revenue	913.80	811.10	
Profits	100.86	88.59	
Per Share	0.64	0.56	
American Motors			
1st Quarter	1979	1978	
Revenue	773.40	640.20	
Profits	32.00	2.70	
Per Share	1.50	1.20	
Borden			
1st Quarter	1979	1978	
Revenue	950.00	843.60	
Profits	28.25	27.65	
Per Share	0.92	0.89	
Champion International			
1st Quarter	1979	1978	
Revenue	901.00	808.30	
Profits	67.60	43.26	
Per Share	1.31	0.86	
Continental Group			
1st Quarter	1979	1978	
Revenue	1,035	921.84	
Profits	36.62	24.20	
Per Share	1.03	0.64	
Dow Chemical			
1st Quarter	1979	1978	
Revenue	2,080	1,650	
Profits	176.50	129.50	
Per Share	0.97	0.71	
First Boston			
1st Quarter	1979	1978	
Revenue	32.50	16.80	
Profits	3.87	0.68	
Per Share	0.88		
GAF			
1st Quarter	1979	1978	
Revenue	267.20	229.80	
Profits	5.20	4.00	
Per Share	0.32	0.23	
Hercules			
1st Quarter	1979	1978	
Revenue	555.00	439.00	
Profits	36.10	18.20	
Per Share	0.82	0.42	
Honeywell			
1st Quarter	1979	1978	
Revenue	966.80	788.80	
Profits	59.60	35.40	
Per Share	2.75	1.66	
Kiddie (Walter)			
1st Quarter	1979	1978	
Revenue	511.10	400.30	
Profits	16.70	13.30	
Per Share	1.51	1.16	
Martin Marietta			
1st Quarter	1979	1978	
Revenue	437.30	348.20	
Profits	32.76	17.86	
Per Share	1.29	0.75	
Merck & Co.			
1st Quarter	1979	1978	
Revenue	566.10	455.90	
Profits	90.90	74.00	
Per Share	1.20	0.98	
Nabisco			
1st Quarter	1979	1978	
Revenue	552.30	515.20	
Profits	22.50	20.87	
Per Share	0.70	0.65	
Reynolds Metals			
1st Quarter	1979	1978	
Revenue	775.70	608.40	
Profits	38.30	11.10	
Per Share	2.00	0.63	
Rockwell International			
1st Quarter	1979	1978	
Revenue	1,540	1,300	
Profits	64.90	43.50	
Per Share	1.83	1.23	
Standard Chartered Bank			
1st Quarter	1979	1978	
Revenue	2,980	2,540	
Profits	129.60	83.60	
Per Share	3.66	2.38	
Stamper Chemical			
1st Quarter	1979	1978	
Revenue	498.70	429.57	
Profits	61.25	52.51	
Per Share	2.80	2.40	
Transamerica			
1st Quarter	1979	1978	
Revenue	939.80	66.42	
Profits	59.03	46.67	
Per Share	0.89	N.A.	
Burmah Oil			
1st Quarter	1979	1978	
Revenue	984.85	856.71	
Profits	17.13	3.61	
Per Share	0.0471		
Delta Metal			
1st Quarter	1979	1978	
Revenue	448.70	420.14	
Profits	28.45	23.85	
Per Share	0.139	0.106	
Pearson (S.) & Son			
1st Quarter	1979	1978	
Revenue	401.31	328.49	
Profits	0.359	0.3059	
Standard Chartered Bank			
1st Quarter	1979	1978	
Revenue	53.78	63.98	
Profits	0.651	0.805	
Canada			
1st Quarter	1979	1978	
Revenue	555.00	517.00	
Profits	0.50	34.90	
Per Share	0.50	0.40	
W. Germany			
1st Quarter	1979	1978	
Revenue	22,836	21,392	
Profits	1,242	1,097	

For Next Five Years, Economist Says

U.S. 'Stagflation' to Continue

NEW YORK, April 18 (AP-D) — U.S. inflation, although it will moderate somewhat, will remain an intractable problem fostering relatively restrictive monetary policy through 1984, growth will hover at levels below the post-war average and long-term interest rates will just about stay where they are, Arthur Rockwell, an economist at Security Pacific National Bank in Los Angeles, says in the latest five-year forecast of basic trends in the U.S. economy.

"The economy isn't likely to be dramatically different from today's," he said of the next five years, "but a number of trends discernible today will have a very real impact." For example, he expects government-sector spending to decline in inflation-adjusted terms.

He also sees durable goods taking an increasing share of personal spending, but he differs from others who expect this to reflect greater outlays for automobiles. Instead, the impetus will come from the household furnishing and appliance areas, with real growth in spending for automobiles below the general trend, he said.

Among other things, Mr. Rockwell believes that the trends in the labor force have implications that are "quite different" from those of the last five years. "The gap between employment of teenagers and other groups should narrow," he said, but this improvement "doesn't augur well for youth-market industries and will have a negative impact on college enrollments." He expects some improvement in productivity, which is currently a problem, beginning in the early 1980s.

Here is what he is forecasting for several widely followed economic indicators; the figures represent average annual growth rates in the 1979-84 period:

- Gross national product will rise about 3.2 percent a year in real, inflation-adjusted terms, up from a 2.5-percent average in the last five years but well below the economy's 3.6-percent growth average during the last 31 years.
- Inflation will remain relatively high at an average 7.2 percent a year but will moderate gradually to an expected 8.5-percent average rate this year to about 6.4 percent in 1984.
- After-tax corporate profits, helped by lower effective tax rates, will average a 9.7-percent growth, down from a 12-percent average rate in the 1973-'78 period.
- The payout ratio of dividends will be 41 percent in 1984, little changed from last year's 41.7 percent.

Although he expects capacity utilization rates to improve gradually into 1984, the relatively high level of interest rates he is forecasting will exert pressure on profits, Mr. Rockwell said. "But the key difficulty lies in unit labor costs, which are forecast to grow at an annual rate of 7.1 percent over the period."

Mr. Rockwell believes that interest rates will stay relatively high because investors will return to historic levels of the so-called inflation premium they require. This customarily has been 2 to 2 1/2 percentage points above the inflation rate but lately has slipped to about 1 point because, he said, investors miscalculated the latest burst of inflation.

"Average long-term rates on AAA-rated corporate bonds should average about 9 1/2 percent over the five years, and short-term rates, which are more volatile, also will stay fairly high," he said.

The economist's long-term forecast is reasonably optimistic on capital goods, anticipating greater spending on energy conservation, technology and automation. "But the cost of capital will tend to dampen any real capital spending boom," he said.

Mr. Rockwell believes that the economic outlook, although subdued, is not necessarily discouraging for investors. "I wouldn't call the corporate-profit outlook pessimistic," he said. "By 1984, inflation will be improving, and investors have learned to be more versatile in recent years. Our evaluation work at the bank suggests a fairly good rate of return could be achieved within this five-year forecast."

S. Korean Firm Fails, Unveiling Scandal

From Agency Dispatches

SEOUL, April 18 (NYT) — The collapse of the Yulsan Group here and the arrest of its top official, Shin Sun Ho, appears to have opened the door to a series of investigations into the Korean economic history.

Yulsan has been accused by prosecutors of illegally obtaining bank loans totaling \$300 million. As a result of the affair, the presidents of four of the nation's five largest banks have resigned and one has been arrested. According to local estimates, the banks could lose as much as \$100 million.

The South Korean authorities have arrested two more persons in their continuing investigation of Yulsan. Many here believe that loans on the scale of those extended to Yulsan would not have been possible without the backing of politically powerful figures. The impact of the affair is considered sufficiently large that local trading circles are seriously worried about its effect on South Korea's general credit standing overseas. And they fear it could lead to stiffer controls by the government on export loans that could seriously curb their booming export business.

Mr. Shin, who is 31 years old, was known as something of a wonder boy whose company was considered one of the prime examples of those thriving in South Korea's growing economy. He started in 1976 with an initial capital of \$2,000 as an exporter of construction materials to the Mideast. By early this year, Yulsan had expanded into shipping, electronics, construction, machinery and tourism. Last year, it reported sales of \$150 million and assets of \$20 million.

Mr. Shin operated with considerable entrepreneurial flair. Several years ago in the Mideast, when confronted by a clogged port, he hired helicopters and old navy landing crafts to deliver his construction materials.

Government investigators now say they have evidence to believe that Mr. Shin faked letters of credit and other documents to illegally secure bank loans, the proceeds of which went into speculative real estate investments. In a bid to salvage their loans, the banks have seized most of his 14 subsidiaries and real estate holdings.

The investigators said Mr. Shin and his group ran into trouble last year when the government clamped down on real estate speculation. With most of its funds locked into land and buildings, Yulsan began to have serious liquidity problems. Those came to the surface when Mr. Shin's checks, many of them for large amounts, began to bounce.

It is not clear at this point if any foreign banks were victimized in the affair. Local business sources believe that the Bank of America has a claim of about \$5 million from Yulsan, but it is said to have been backed up with a local banking repayment guarantee.

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Finance Ministry officials, said however, that capital outflows are likely to decline sharply this fiscal year from last year's high level due to changes in the country's balance-of-payments position and domestic capital-market conditions.

The March current-account surplus rose to \$290 million from \$290 million in February but was down from the \$243-billion surplus a year earlier. The fiscal-year current-account surplus fell to \$12.02 billion from \$13.99 billion. The surplus on current account, which includes trade in merchandise and invisibles, was well below the government's target of \$13.3 billion, officials noted.

The overall balance of payments in March was in deficit by \$1.61 billion, compared with the \$761-million deficit in February and the year-earlier \$3.14-billion surplus. The overall deficit in the fiscal year of \$2.31 billion was the first since the \$17.72 billion of fiscal 1975.

The overall deficit was due mainly to a record deficit in the long-term capital account of \$16.1 billion compared with the previous record deficit of \$9.1 billion in fiscal 1973.

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Shell's Oil-Sales Cut Extended Indefinitely

From Agency Dispatches

LONDON, April 18 — The Royal Dutch/Shell group expects to continue its partial force majeure on crude oil sales at least until the end of next winter due to tight oil supplies, Shell Transport & Trading chairman Michael Pocock said today.

The group also has written off \$230 million to cover losses incurred by its 50-percent owned General Atomic Co., which ran into costly difficulties with the construction of a nuclear power plant at Fort St. Vrain, Colo., a spokesman said.

He said the write-off is included in last year's results but will be partially offset by a \$30 million payment this year from Gulf Oil, its equal partner in General Atomic. The Gulf payment will cover its recently agreed purchase of the Shell interest in the nuclear-fuel contract of General Atomic's business.

The Anglo-Dutch oil company also expects capital spending to remain steady this year at about \$2.3-2.4 billion, little changed from the previous two years, Mr. Pocock said. Spending on exploration and production, notably in the North Sea, will rise this year compared with last year's level, while chemical spending will tail off, he said.

Shell has just signed an agreement with Iran's new regime to lift 235,000 barrels a day for the rest of the year, Mr. Hart said, or less than half of the group's liftings before the revolution.

Mr. Hart said OPEC is expected to increase oil prices further over the course of the current year, with the size of the increase reflecting the imbalance in the supply and demand equation. The increase will also reflect the feelings of the OPEC leaders towards efforts of consuming nations to conserve energy.

Referring to the consuming nations, Mr. Pocock remarked: "We've got to get our house in order." He cited efforts by Japan to reduce oil consumption, though these are not likely to have any effect before the June OPEC meeting.

The key to it is the U.S. It's the U.S. action that they (OPEC leaders) are looking at," the chairman said.

Shell's crude sales cutbacks are currently running at about 20 percent, though at least half of the group's companies have access to supplies from other sources, Mr. Pocock said.

The Thomson family companies said the 17,319 million shares originally sought under the offer would be taken up on a pro-rata basis and paid for on May 1.

The offer made by the Thomson family companies Woodbridge Co. and Thomson Equitable International expired yesterday.

Blue Chips Higher on Big Board

Personal Income Up Sharply for March

NEW YORK, April 18 (UPI) — New York Stock Exchange prices were higher late this afternoon in moderately active trading. Institutions apparently were making selective bids among some blue chips and good first-quarter earnings reports.

The Dow Jones industrial average, which lost 2.52 points yesterday and 20.79 points in the previous four sessions, was up 4.86 at 862.79 at 3 p.m. Advances led declines 839 to 410 while 3 p.m. turnover was about 23.90 million shares compared with 23.51 million yesterday.

Analysts said investors appeared to be encouraged that the Federal Reserve gave no signs of tightening credit following its Open Market Committee meeting yesterday. There had been speculation recently the Fed would tighten because of pressure from the Carter administration.

The Commerce Department reported that personal income increased 1 percent in March to a seasonally adjusted \$1.85 trillion annual rate after rising 0.7 percent in February and 0.4 percent in January.

General Public Utilities was active. The company has offered to cut \$16 million from rate increases approved by Pennsylvania in light of the nuclear accident at its Three Mile Island plant.

Revco D.S., a 34-point winner yesterday, attracted attention. F.W. Woolworth, which is fighting a takeover bid by Braccon Ltd., said yesterday it was holding talks about taking over Revco. Braccon said today that it would not change its plans.

Texas International Co. was lower at one point. The company rejected a takeover bid by Gold Crown Resources.

In other news, Continental Oil raised its quarterly dividend to 42 1/2 cents from 37 1/2 cents.

American Stock Exchange prices were higher in moderate trading with the 3 p.m. index up 1.33 at 179.98.

Thomson Offered 89% of Stock

In Hudson's Bay

TORONTO, April 18 (AP-D) — Two Thomson family companies said today that shareholders of Hudson's Bay Co. tendered 20.59 million shares, or about 89 percent of the outstanding shares, under their \$Cdn 37 a share offer for 75 percent of the Canadian retailer.

The Thomson companies said the 17,319 million shares originally sought under the offer would be taken up on a pro-rata basis and paid for on May 1.

The offer made by the Thomson family companies Woodbridge Co. and Thomson Equitable International expired yesterday

کتابخانه ابن سينا

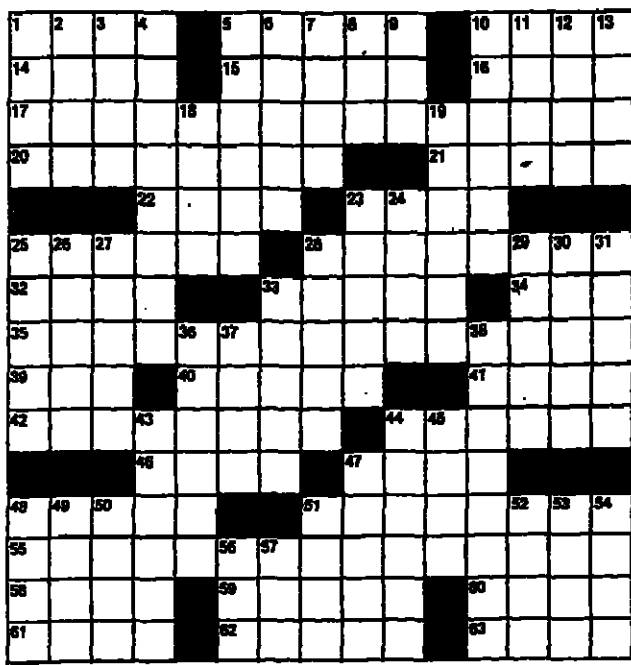
12 Month Stock	Sls.	3 p.m. Prev	12 Month Stock	Sls.	3 p.m. Prev	12 Month Stock	Sls.	3 p.m. Prev
High Low Div. In \$ Yld. P/E 100s. High Low Quot. 3 p.m.			High Low Div. In \$ Yld. P/E 100s. High Low Quot. 3 p.m.			High Low Div. In \$ Yld. P/E 100s. High Low Quot. 3 p.m.		

London
Frankfurt
Paris
Amsterdam
NOW ZURICH

A stylized, high-contrast map of Europe. Several black dots are placed on the map to represent flight destinations: one in the British Isles (London), one in Central Europe (Frankfurt), one in Western Europe (Paris), one in Northern Europe (Amsterdam), and a larger, more prominent one in Southern Germany (Zurich). The map is enclosed in a simple rectangular border.

CROSSWORD

By Eugene T. Malesha



- ACROSS**
- Peter, e.g.
 - As clear as
 - Starchy foodstuff
 - Jar
 - Wet blankets and drips
 - Pep, vim or vigor
 - Ultimate game of chance
 - Pops the question
 - Transients in the 30's
 - Shoshoneans
 - "You could hear" drop
 - Jai alai baskets
 - "Christmas...": Bach
 - "You're...": song of the 30's
 - Thompson or Hawkins
 - Cassandra's forte, in today's lingo
 - Medieval evil one
 - Diary-writer Anais
 - Corroded
 - Suffix with six, seven, etc.
 - Baltic denizen
- DOWN**
- Missile that could destroy a destroyer: Abba
 - Elide
 - ran
 - Grigori Efimovich
 - Reduces in rank or esteem
 - "Treasure Island" pirate
 - Makes a tuft
 - Zodiac sign
 - Little hove, and more": Dyer
 - High: Comb. form
 - The take
 - Fish dish
 - Like a whooping crane
 - Box
 - With force
 - Air hole
 - Bomb in a bottle
 - Soviet river
 - Electron tube
 - Sidles
 - Emblem of England
 - Passé
 - Dried up
 - Individuals
 - Then a follower
 - David
 - "Miss Brooks" actress
 - Match
 - Queen's ship
 - Memphis idol
 - Bias
 - Like a certain cereal
 - Jazzes Dean
 - Image
 - Key
 - Emulates
 - Pandora
 - Bristles
 - Sharecropper, e.g.
 - Kind of net or shirt
 - Repeats
 - Ruth, in 1914
 - Made piquant
 - Beside the (irrelevant)
 - English china
 - Sino-Russian river
 - Late Italian statesman
 - "Time stays, we go": Dobson
 - "I little have, and more": Dyer
 - Other
 - Strange
 - Roman road

WEATHER

ALABAMA	17	63	Cloudy	MADRID	15	59	Fair
AMSTERDAM	17	63	Cloudy	MIAMI	27	81	Sunny
ANCONA	17	63	Fair	ASIS	12	54	Sunny
ATHENS	7	46	Fair	MONTREAL	4	43	Sunny
BERLIN	72	72	Fair	MOSCOW	0	32	Shaw
BLERDADE	10	36	Rein	MUNICH	1	34	Cloudy
BERLIN	7	45	Fair	NEW YORK	12	54	Sunny
BRUSSELS	10	50	Cloudy	NICE	14	48	Fair
BUDAPEST	17	63	Cloudy	OSLO	10	38	Sunny
BUDAPEST	10	30	Showers	PARIS	3	44	Cloudy
CASABLANCA	19	64	Fair	PRAGUE	5	41	Cloudy
COPENHAGEN	4	43	Cloudy	ROME	16	61	Cloudy
COSTA DEL SOL	28	74	Fair	SOFIA	1	34	Cloudy
DUBLIN	12	54	Cloudy	STOCKHOLM	6	43	Cloudy
DUNBURN	13	55	Cloudy	TEHRAN		N.A.	
DUNBURN	13	55	Cloudy	TEHRAN	34	74	Fair
DUNBURN	13	55	Cloudy	TOKYO	12	55	Cloudy
DUNBURN	13	55	Cloudy	TUNIS	14	57	Cloudy
DUNBURN	13	55	Cloudy	VIENNA	15	59	Cloudy
DUNBURN	13	55	Cloudy	WARSAW	15	59	Cloudy
DUNBURN	13	55	Cloudy	WASHINGTON	15	59	Clear
DUNBURN	13	55	Cloudy	ZURICH	5	41	Clear

(Yesterday's readings U.S. and Canada of 1780)

INTERNATIONAL FUNDS

ADVERTISEMENT

April 18, 1979

The fund asset value quotations shown below are supplied by the Funds Based on the completion of some funds funds which are not listed below. The following symbols indicate frequency of quotations supplied for the FIF: (L)—daily; (W)—weekly; (M)—monthly; (Q)—quarterly; (Y)—annually; (I)—irregularly.

BANK OF AMERICA & CO. LTD.

(1) Bank of America Fund	\$7.20
(2) Bank of America Fund	\$7.20
(3) Bank of America Fund	\$7.20
(4) Bank of America Fund	\$7.20
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Don't Count the Umpires Out—They're Determined to Fight to the End

By Red Smith

NEW YORK, April 18 (UPI)—Richie Phillips, the Philadelphia lawyer who is kingmaker of the major league umpires in their strike for more money, looks like an umpire, dresses like an umpire and talks like a Philadelphia lawyer. Umpires were as punctual as he, they wouldn't have jobs to be unhappy about.

Phillips and some of his clients—the collective term is a brace of umpires—had a news conference in Gallagher's steak house on Monday to enlist press support. It was called for on and Phillips instructed Bill Haller, an umpire in the American League, to get there from St. Louis by 11:30 a.m. Phillips himself arrived from Philadelphia at 1:24 p.m. "We'll never get the game started if you're umpiring, Richie," Haller told him.

A little later Ted Hendry, the only regular umpire now working, made it from the Pacific Coast and announced that he was giving the American League 10 days' notice of his resignation. Hendry is a rookie who signed his first major league contract in February after 11 years in the minor leagues. He said he was quitting now because "I want to be with my brothers."

Hendry Submits 10-Day Resignation Notice to American League to Join Striking Colleagues

"After 11 years in the game," he was asked, "how do you feel about resigning?"

"It was the easiest decision I ever made in my life," he said promptly.

Obligated by Contract

He explained that although he had worked more than 100 games filling in in the American League in each of the last two seasons, he had never had a contract. When he received a contract in February he signed, but when it became clear that 50 of the 51 other umpires weren't going to sign, he told Dick Butler, the league's supervisor of umpires, that he preferred not to work. Phillips told him he must honor his contract and Ron Luciano, a senior umpire, warned that the umpires' association would fine him if he didn't.

"It's been a very difficult thing for me," Hendry said. "I'm a pretty tough guy, I've learned my trade, but I've never been so humiliated in my life."

He recounted instances of shabby work by the

amateurs who have been officiating with him for two weeks. The umpires are now saying of the strikebreakers exactly what managers, players, some owners and most fans have said about the umpires for a century.

Aside from Hendry's resignation, the news from the news conference was a statement that the umpires were "embarking on a program of escalation in the current conflict" because the league's strategy has been one of "deception, evasion, intimidation and constant escalation."

Presidents Called Liars

The statement, issued under the names of Bill Haller, Ed Vargo and Doug Harvey but obviously composed by Phillips, called Lee MacPhail and Chub Feeney, the league presidents, liars. It said MacPhail and Feeney "have abused us, intimidated us, threatened us and now they are attempting to defame us."

"We have not fabricated the truth one bit," Vargo said.

Phillips said that the "program of escalation"

would consist largely of direct appeals for support from organized labor. He said that this approach had been effective last weekend in Pittsburgh, where Sunday's game with the St. Louis Cardinals drew 3,012 in good weather. "At that rate," he said, "they couldn't pay Dave Parker's salary."

"Would you say the umpires you have worked with were incompetent?" Hendry was asked.

"Incompetent?" he said. "It's terrible!"

Kuhn Staying Out

Phillips was asked whether he foresaw any possibility of the players' union honoring the umpires' picket line. He said there would be no such group action by the union but that individual players might show their support. He may or may not have been aware that at the suggestion of Joe Morgan, the Cincinnati Reds had voted unanimously to urge Bowie Kuhn, the baseball commissioner, to intervene.

Thus far Kuhn has remained aloof. In his time he has vetoed player transactions, dictated

how much money a team may pay for a player and even got down to haggling with a player holding out (Hawk Harrelson), but he's leaving this one to MacPhail and Feeney.

Phillips cleared up one widely held misapprehension. Baseball has said and many fans believe that the umpires are walking out on a five-year collective bargaining agreement that has two years to go. Judge Joseph McGlynn of U.S. District Court has ruled otherwise. The collective bargaining agreement, or union contract, covers working conditions and establishes a minimum wage scale, but each umpire must negotiate his own salary in an individual contract and until he does, the union contract doesn't take effect.

It is the individual contract, McGlynn has ruled, that "triggers the provisions of the collective bargaining agreement . . . There is no question in my mind they (the umpires) are entitled to bargain as individuals."

In other words, the union contract is like a basic agreement between the players' association

and the owners. A player who holds out doesn't violate the basic agreement.

Phillips said that he couldn't predict how long before the conflict might be resolved, but he said he could negotiate 50 individual contracts in one night if the leagues would deal in good faith. He said the umpires were demanding an average increase of about \$10,000 a man with the minimum for rookies about \$23,500 instead of \$17,500, the minimum now.

'Easy to Find'

"We're easy to find when they want to negotiate," he said. "We're standing outside their ball parks every day."

Why, in Phillips' opinion, were the leagues taking a hard line?

"They have to negotiate new agreements with the players later this year," he said, "and they want to set an example. They think the umpires are broke and have to go back to work. What they don't realize is that the umpires were broke two weeks ago but aren't going back. The leagues think that if they hold out they can tell the players: 'We broke the umpires and we'll break you.'"

Maddox Hits Grand Slam

Phillies Rout Pirates, 13-2

PITTSBURGH, April 18 (UPI)—Bake McBride drove five runs home with two home runs, Gary Maddox hit his third career grand slam home as the two Philadelphia outfielders split eight hits last night to power the Phillies to a 13-2 victory over the Pittsburgh Pirates.

"I would like to think this could be a preview of our season, but this game won't have an effect on the entire season," said the Phillies' manager, Danny Ozark. "The Pirates will still be with us all the way."

Steve Carlton (2-1) went six innings for the victory as the eighth inning pounded out 17 hits off four Pittsburgh pitchers.

McBride's first home run of the year, a three-run shot over the right-field wall off the losing Bert Blyleven (0-2), capped the Phillies' five-run third inning and gave them a 7-2 lead. Mike Schmidt's fourth home run of the year, a solo shot, preceded McBride's blast.

McBride's other homer, with Carlton on base, came in Philadelphia's six-run fifth inning, in which Maddox hit his grand slam to center field. McBride added singles in the first and ninth innings. Maddox had three singles.

Bill Robinson hit a two-run homer, his second of the year, in the first inning for the Pirate scoring.

Expos 5, Mets 4

At Montreal, Rodney Scott's RBI single with one out in the 12th inning scored Dave Cash with the winning run, lifting Montreal over New York's 5-4. Woodsie Fryman (1-0) picked up the victory in relief of the Mets' third starter, who failed to finish a game in his first two starts, was in complete command yesterday as he struck out 10 and walked only two.

Cubs 5, Cardinals 3

At Chicago, Dave Kingman's two-run homer in the fifth inning enabled Ken Holtzman to gain his first National League victory in eight years as Chicago topped St. Louis, 5-3. Holtzman, acquired from the New York Yankees last year, evened his record at 1-1 by winning for the first time in the league since he was a member of the 1971 Cubs. Ted Simmons belted a two-run homer for the Cardinals.

Reds 7, Braves 4

At Cincinnati, doubles by Dan Driessen, Champ Summers and Dave Concepcion highlighted Cincinnati's seven-run first inning and lifted the Reds past Atlanta, 7-4. The winner, Tom Hume (2-1), was pounded for 12 hits and four runs before giving way to Doug Bair with two out in the eighth. Dale Murphy hit his fourth and fifth home runs of the season for the Braves.

SuperSonics 112, Lakers 101

At Seattle, Gus Williams and Dennis Johnson combined for 53 points to lead Seattle to a 112-101 comeback victory over Los Angeles in the first game of the series.

Williams scored six points during a 9-0 Sonic spurt that gave Seattle a 109-97 lead with 1:07 left in the game. The 6-foot-2 guard, who had picked up three fouls in the first 3:47 of the game, led all scorers with 27 points.

Johnson scored nine of his 26 points in the final 3:30 of the second quarter, when the Sonics cut a 17-point Lakers lead to five points at the half.

Kareem Abdul-Jabbar led Los Angeles with 25 points, while Adrian Dantley added 22. Jamal Wilkes scored six points for the Lakers in the opening 3:58 of the game, but was shut out in the second half, finishing with just 10 points.

George Gervin, the NBA's leading scorer, hit 29 points for San Antonio in the third quarter and in a 10-point lead in the final. But a free throw by Mike Bantom and the final foul shot by Isiah Thomas sealed the victory before a crowd of 16,709—the largest ever for a pro game in Texas.

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Padres 4, Giants 3

At San Diego, Dave Winfield's single broke an eighth-inning tie and Rolfe Fingers pitched two innings of scoreless relief for his first victory to lead San Diego past San Francisco, 4-3. Gene Tenace of the Padres and Bill Madlock of the Giants each hit two-run homers.

Dodgers 10, Astros 6

At Los Angeles, Steve Yeager's two-run homer in the eighth inning snapped a 6-6 tie and lifted Los Angeles past Houston, 10-6. Steve Garvey hit a pair of homers and Dusty Baker added one for the Dodgers, while Cesar Cedeno hit a three-run shot for the Astros—who made five errors, three by catcher Alan Ashby.

Yankees 5, Orioles 1

In the American League, at New York, Ron Guidry pitched a three-hitter, and Reggie Jackson homered to snap a 1-1 tie in the seventh inning as New York defeated Baltimore, 5-1. Guidry, who failed to finish a game in his first two starts, was in complete command yesterday as he struck out 10 and walked only two.

Rangers 6, Indians 2

At Cleveland, Buddy Bell drove in three runs with a double and a pair of sacrifice flies and Ferguson Jenkins and Jim Kern combined on a six-hitter in leading Texas to a 6-2 victory over Cleveland. It was the third triumph of the season for Jenkins, who left with one out in the sixth inning. Kern picked up his first save of the season.

Tigers 6, Royals 3

At Detroit, Steve Karpis ignited a

three-run, seventh-inning rally with a run-scoring single, and Bill Day followed with a two-run double in pacing the Tigers to a 6-3 victory over Kansas City. Jason Thompson homered for the Tigers.

Angels 6, Twins 0

At Minnesota, Nolan Ryan pitched a four-hitter and Willie Alderson hit a solo homer as California spoiled Minnesota's home opener, 6-0. A record opening-day crowd of 37,270 turned out to watch Ryan strike out 10 and run his lifetime total to 2,707. He walked three in posting his 38th career shutout.

White Sox 6, Blue Jays 1

At Toronto, Francisco Barrios and Mike Proly combined on a three-hitter in pitching Chicago to a 6-1 victory over Toronto. Barrios (1-0) held the Jays hitless after the first inning until Mayberry opened the seventh with a ground-rule double. Proly relieved and earned his second save in as many days with hitless relief over the final 2½ innings.

Red Sox 6, Brewers 5

At Boston, Fred Lynn's sixth homer of the season, a two-run shot with one out in the ninth inning, lifted Boston to a 6-5 victory over Milwaukee and snapped the Brewers' three-game winning streak. Carl Yastrzemski also homered for the Red Sox. Sixto Lezcano connected for Milwaukee.

A's 6, Mariners 5

At Oakland, Jim Essian's two-out single in the ninth inning scored Mitchell Page with the run that gave Oakland a 6-5 victory over Seattle. There were nine errors, and two passed balls in the game, the Mariners making six of the miscues.

Crowd of 653 Smallest Ever For A's Game

OAKLAND, Calif., April 18 (UPI)—The Oakland A's hit rock bottom in home attendance last night, when only 653 fans turned out for a game against the Seattle Mariners.

It was the lowest home crowd in Oakland history, surpassing the previous low of 1,252 against Kansas City on Sept. 28, 1971—the day after the A's clinched the Western Division title.

Cold and windy weather contributed to the low turnout as did the home telecast of the game, which Oakland won, 6-5.

Major League Standings

AMERICAN LEAGUE			
	W	L	Pct.
Milwaukee	6	3	.667
Seattle	5	3	.625
New York	4	4	.500
Detroit	4	4	.500
Toronto	4	4	.500
San Diego	3	5	.375
Cleveland	2	7	.222

NATIONAL LEAGUE			
	W	L	Pct.
Los Angeles	7	1	.875
San Francisco	5	3	.625
Atlanta	4	4	.500
Philadelphia	4	4	.500
San Diego	3	5	.375
Chicago	3	5	.375
St. Louis	2	6	.250
Cincinnati	2	6	.250

Tuesday's Baseball Line Scores

AMERICAN LEAGUE			
Philadelphia	15	San Diego	12
Pittsburgh	13	San Francisco	12
Los Angeles	10	Seattle	6
San Diego	6	Los Angeles	5
San Francisco	6	San Diego	5
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**A Special Report
Part 3**

Trade With China

**A Banker's Assessment
Of an Expanding Market**

The new opening of China will be the great event of our future historians, but it may lead to political turmoil in that country, according to Peter Reimpell, member of the board of directors of Baslerische Vereinsbank in Zurich.

Reimpell visited China earlier this year as a guest of the Bank of China and was able to see some of the Chinese business life first-hand.

He reports on his trip, his impressions, in this interview with Thomas C. Lucey of the International Herald Tribune.

OS TAVIR: Lucey: Peking must be a busy city these days with all the negotiations on expanding trade with the West.

Reimpell: Peking is crowded with Japanese and American businessmen. They have considerable difficulties. There is a housing problem for diplomats and their families, but for foreign businessmen there are no apartments in Peking. They must stay in hotels. And hotel rooms are very difficult to get.

There are four or five of the traditional foreign companies with China agents in Peking. There are three or four of them.

Any firms are Hong Kong, or have an office in Hong Kong, with a branch in Tokyo.

There is no problem if you have an office in Taiwan, too, because the Chinese have completely changed their attitude. But I must say the mainland Chinese, always been very liberal about the overseas Chinese. All these are the advanced part of the community. And they are always welcome in the People's Republic. There is no animosity. I read in the Peking Review that Taiwan to come back to the arms of the motherland. You can't say that. This is a very embarrassing for the Chinese.

You think a real change is taking place there?

The new opening of China is the most extraordinary thing in the world. Perhaps people will say, one of the most extraordinary things in history. For Deng Xiaoping, it is, as we say in Germany, "Ein Ritt über den Boden." Equivalent to riding horses on thin ice. In the German rider dies of shock when he falls. In a series of interviews with David Bodanis of the International Herald Tribune, he discusses West Germany's role in the European community, the stability of its democracy, and the changing nature of German foreign policy.

Mr. Aron has seen Germany from a number of viewpoints. In the years of the Weimar Republic, he was a philosophy instructor in Cologne and Berlin; 10 years later, in 1940-44, he was editor in chief of La France Libre in London, writing under a pseudonym to safeguard his wife and daughter in France. For nearly 30 years after the war he was a political analyst at Le Figaro, and he now writes a weekly column for L'Express. He holds the chair of Sociology of Modern Society at the College de France.

Mr. Aron is a graceful man, at ease in his study, where a Matisse print hangs on one wall, and the other wall, of glass, provides a view of Paris.

This is the year of Jean Monnet's death, and the year in which both the European Monetary System and the European Assembly will have their first tests. Central to them, as it was central to Mr. Monnet's career, is the place of Germany. The strongest economy in Europe, and the country, which in varying interpretations, has been either the flash point or the source of European conflict since Bismarck's conquests in the 1864 Danish war, is being watched from all sides. Leftist Laborites in Britain find comfort with rightist French Gaullists in hailing against Germany's position in the new European institutions; other, milder viewers form their own coalitions, but are also warily watching.

Raymond Aron and Jean Monnet met several times on the same political path. Although their evaluations of Germany in Europe were not always the same, both recognized that the accuracy of these evaluations was of the greatest importance. Mr. Aron sees the problem of Germany in Europe now as being largely one of over-evaluation.

"As regards the European assembly, it was more the initiative of Giscard, while as regards the European Monetary system, it was probably an idea of Schmidt, with Giscard playing the impresario. So both were linked to the idea. In my view Schmidt had better reasons to go ahead with his initiative than did Giscard.

FOCUS ON WEST GERMANY-1979

Year of Changes in the Energy Field

By Thomas C. Lucey

FRANKFURT (IHT) — This has been a year of rapid changes for West Germany in the energy field, which is now being called "the No. 1 theme in the country."

"The last time I was here, no one was talking about oil," an economist at the Organization for Economic Cooperation and Development told a gathering of businessmen in Munich in early February. "Now everyone is talking about it."

West Germany, the leading fuel consumer in Europe, has relied on Iran to supply 18 percent of its oil. About the same time as that essential source was threatened, the nation was going through a winter of "white shocks," when long, severe snowfalls cut off electricity and road and rail transportation, especially in northern Germany.

Nature seemed to have provided a bitter foretaste of the so often repeated warning of the advocates of nuclear power that the lights will go out in 1985. Economics Minister Otto Lambsdorff had assured the country that there was no energy crisis. As of March 12, Germany had oil reserves for 112 days, he noted during a television discussion. He also said that the government did not plan to impose a ban on Sunday driving or a speed limit.

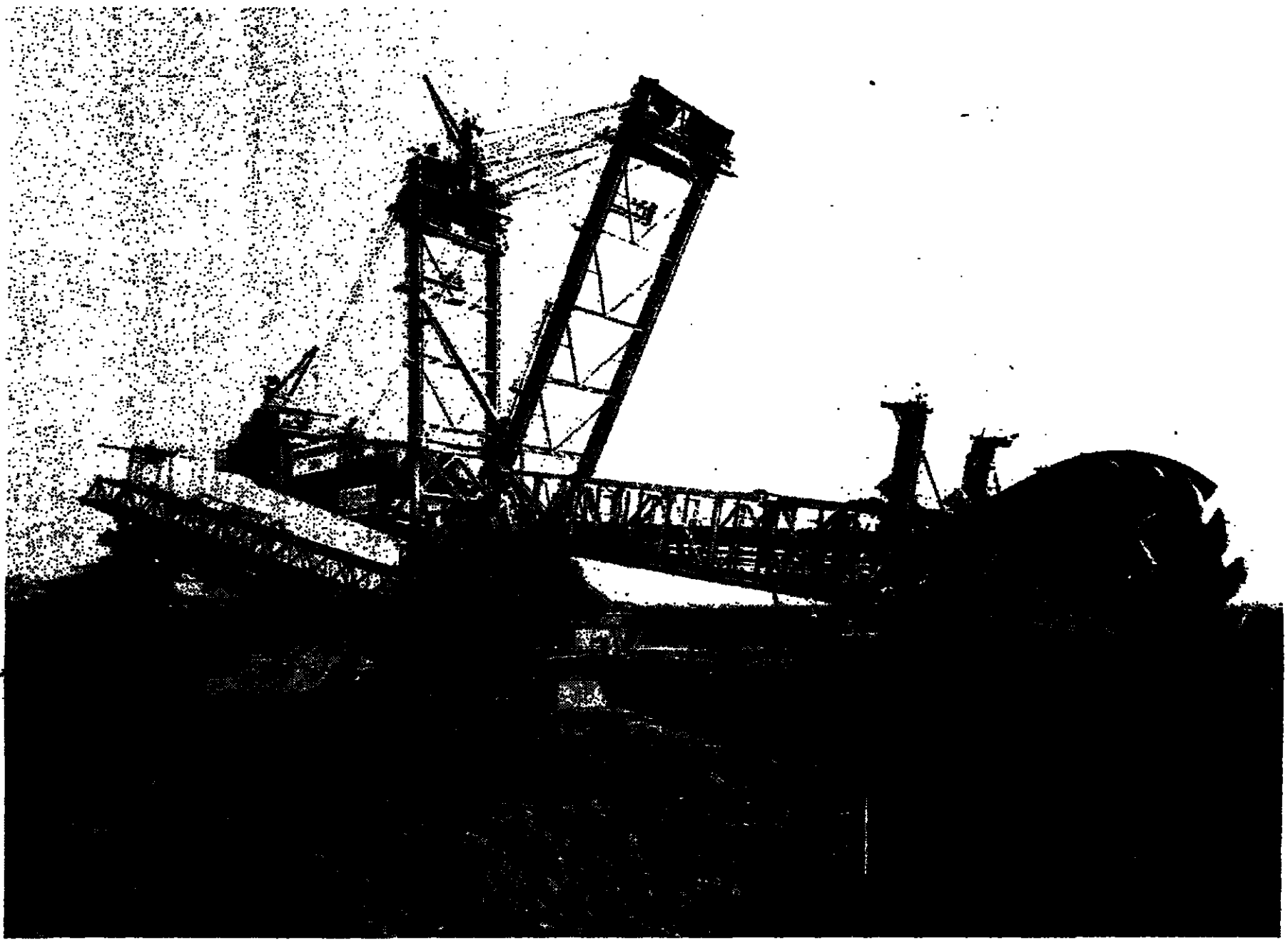
The best way to solve the oil shortage, he said, was to let free competition in the marketplace take its course. And if energy cost more, he added, there would soon be less waste.

But the appearance of official calm suffered from reports that Mr. Lambsdorff had given instructions that gasoline rationing coupons, which had been secretly printed, were to be sent to local authorities.

Critical Day

At the beginning of April, an announcement was made by the United German Electrical Works (VDEW), a trade association of the electricity industry, that on Jan. 8, when a harsh cold wave struck northern Germany, the electricity network in the that half of the country would most likely have collapsed if there had been no nuclear power plants in operation. Germany had been saved from a national power failure because the cold wave did not affect the whole country at the same time and because the economically troubled steel and chemical sectors, the major industrial users of electricity, were not operating at full capacity, according to VDEW.

The timing of VDEW's pro-nuclear report — just after the Harrisburg, Pa., nuclear plant accident when international nuclear nervousness was high and



World's biggest dredger scoops up soft coal in surface mining.

about 10,000 anti-nuclear demonstrators were marching in Frankfurt, Stuttgart, Hamburg and Muenster — it does provide a detailed look at the German energy situation.

Almost 10 percent of the electricity available during the "white shocks" in January and February was provided by nuclear plants. That amounts to 6,000 megawatts of the total 61,000. While public utilities have a total of 74,000 mw, the association pointed out, 13,000 mw was not available because of

routine plant closes for testing and repairs.

VDEW said that on the critical day of Jan. 8, 51,000 mw were needed, which meant the utilities had to tap about 1,000 MW of the 20 percent of power that is always kept in reserve. Utilities have needed a 20-percent reserve since the early days of electricity, according to the association. So to deliver 51,000 MW for that day, German power plants were working at full capacity.

As expected, the report noted

that while construction has started on plants to supply an additional 17,200 mw, protests by citizens' action groups, court appeals and official reviews are delaying their completion, and no one knows when they will come on stream. In addition, according to the VDEW, protests against new plants to use hard coal have become as strong as those against nuclear plants because of concern over pollution as a cause of air pollution. (Coal is Germany's only source of fuel that is domestically available in large quantities.

Recently, members of the energy industry and some political leaders have advocated that this country should change to a combination of coal and nuclear fuels and so have to rely less on imported oil.)

Smooth Flow

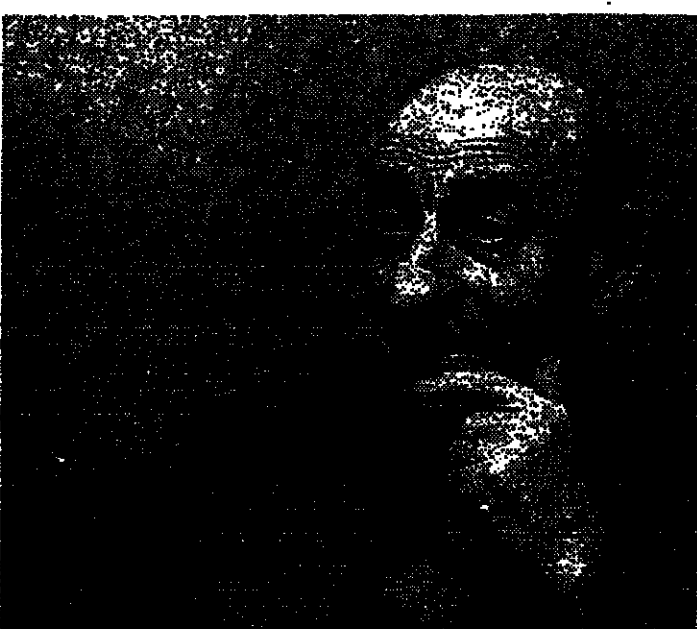
VDEW said the supply of gas for this country had been flowing smoothly despite the unusually cold winter that sent local consumption up by 29 percent over that of the same period early last

year. In addition, in January, the Soviet Union had considerable difficulty in meeting its quotas for delivery to West Germany, which receives the gas as part of payments for goods exported to the Soviet Union.

The difficulty seems to have been caused at least in part by the need for more gas by East Germany, which suffered an even more severe winter than West Germany. East Germany depends for most of its

(Continued on Page 42S)

Europe's Foremost Economy: A Sociological View



Raymond Aron

Raymond Aron is a leading French political commentator and one of the premier sociologists in the world. In a series of interviews with David Bodanis of the International Herald Tribune, he discusses West Germany's role in the European community, the stability of its democracy, and the changing nature of German foreign policy.

Mr. Aron has seen Germany from a number of viewpoints. In the years of the Weimar Republic, he was a philosophy instructor in Cologne and Berlin; 10 years later, in 1940-44, he was editor in chief of La France Libre in London, writing under a pseudonym to safeguard his wife and daughter in France. For nearly 30 years after the war he was a political analyst at Le Figaro, and he now writes a weekly column for L'Express. He holds the chair of Sociology of Modern Society at the College de France.

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"The Monetary System was the idea of the Germans, who wanted to reduce the over-evaluation of their currency by accepting the link between the mark and the other currencies," he affirmed. "They thought that being separated from the rest of the European currencies was pushing the mark to the extreme. Now, there is the beginning of an inflation in Germany — so in the end you Americans are getting what you want, namely, some German inflation to reduce the decline of the dollar. [But the

central bank is already acting against that inflation, for the central bank in Germany is largely independent of the government.]

"From the day the decision for the monetary system was made, I only say 'let's see,' with a certain degree of skepticism. I have my doubts about it because, primarily, the rates of inflation are too different between Germany and France. This holds even if there is a reduction of the inflation rate in France. For Germany it means an undervaluation of the franc in relation to the mark, or, what is the same thing, an overvaluation of the mark in relation to the franc."

Mr. Aron finds the debate about the jurisdiction of the European Assembly similar to the one a quarter-century ago on the European Defense Community. But he finds the present debate especially wasteful, "especially in a situation in which the idea of a united states of Europe has disappeared."

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managing of the dollar for national reasons.

"Of course the European monetary arrangements are not intended to act against the dollar; that's silly. For all Europeans want the dollar to be strong and not weak. Above all they want the great fluctuations to be ended."

Germany's economy is the foremost in Europe and has taken the economic swings of this decade extremely well, better than almost all the others. It cannot be simply, as the British moan, that the best German university students enter business rather than the civil service. Why is Germany in such good economic shape?

"One of the greatest assets Germany has economically is its moderate trade unions, who have agreed not to push for greater wage increases than can be allowed," Mr. Aron says, leaning forward in his chair. "Even though there is a bit more tension between employers and employees than in the past, a regularity of consensus is still dominant. One of the main reasons for this is the fairness of the relation between the wages of manual workers and those of non-manual workers in Germany. In France, by contrast, an almost unqualified secretary receives a higher wage than does the average manual worker. This is one of the reasons that French workers and their representatives are not integrated into the government. In Germany the wage relations are not skewed, and non-manual workers without real qualification do receive lower

wages than does the average manual worker.

"Also, of course, the Germans are hard workers, albeit not so hard as in the past, and not so hard as the Japanese, who work like crazy."

Mr. Aron pauses, breaking into an impish smile. "But," he continues, wagging a finger, "it is a great advantage in the economic competition."

"Two other reasons for West Germany's good economic shape are that it has an unparalleled tradition of exports, and that it specializes in the type of products which the rest of the world wants — namely, goods of production. All regularly have a very high surplus of exports over imports, which is what gives the strength to their currency."

"And in the present situation, you know, the strength of the currency is a factor against inflation," he adds. "That is because we are all obliged to buy petroleum and raw materials at very high prices. So devaluation is a factor of inflation, and over evaluation is a factor against inflation. The Germans would like to keep their possibility of a trade surplus, for it means they keep the possibility of reducing their inflation rate."

Germany's response to terrorism has been one of the most positive among the Western European countries. Laws have been enacted giving investigators substantial leeway to search a building without a detailed warrant and to hold per-

(Continued on Page 34S)



A Sociological Appraisal of Europe's Foremost Economy

(Continued from Page 335)

sions briefly for investigation. Bodyguards and armed security officers are widely noticeable, and lists of suspected terrorists are prominently displayed. There are also restrictions on the ability of suspected terrorists to meet with lawyers.

These detailed responses come in the context of the "radical decrees" which were enacted in 1972, and which restricts hiring for a range of civil service positions to those not suspected of wanting to undermine the state. The criterion for determining suspect persons in this decree is very broad. The world's press, and especially the British, have criticized the Germans for enacting these laws in a blind and extreme fashion, hinting that the Germans are incapable of truly supporting democracy. Mr. Aron finds these criticisms unwarranted:

"The reaction of the Germans against terrorism does not mean that democracy is fragile there. Whatever one's personal judgments on the actions of the police may be, there is no proof or sign of the police going beyond the normal control of the judiciary. This is, after all, what is done in a democracy."

"The Germans are always suspected, whatever they do. At the same time, the Germans are still anxious about their own regime, because of their past. Observers say

their reactions in defense of the regime go too far. At the same time the Germans say: 'Because we have a reputation that our democracy is fragile, we have to defend it.' Their memory of the Third Reich is the alibi they are giving for the violence of the reaction to the terrorists. It's something of a contradiction, and both sides have their arguments."

Terrorism

"What the anti-terrorist reaction shows is that the immense majority of Germans support their regime. Now terrorism without support in the population is not justified in any way, and the absence of support should reduce the vehemence of the German reaction. But at the same time, when I speak with German friends, although they admit that the number of terrorists has been small — a few dozen, or a maximum of a hundred or two — they point out that there is a larger number in the population more or less in support of them."

"It may be that the reaction would have been less extreme in other countries, I don't know. Terrorism has begun in France against the Jews [in the bombing of a Jewish young people's restaurant in Paris' Latin Quarter on March 27], let's see what happens. I was disappointed, and troubled, that the president of the Republic did not

speak out about the anti-Jewish attack at the Rue des Medicis last year."

The Paris bombing is thought to be due to local right-wing groups and is one of the latest manifestations of the recent increase in anti-Semitic acts in Western Europe. The evidence on whether Germany is moving to the right is mixed. Certainly the left-center governing coalition is relatively stronger vis-à-vis the right than it was a short time ago. But there is also the recent discovery of a certain number of Neo-Nazi groups, and, most notably, the fact that in Germany at large Hitler memorabilia — massive biographies, popular magazine accounts, artifacts — are immensely popular. Mr. Aron's view of this is, again, counter to the ordinary interpretation:

"I would say there is the opposite of a significant trend to the right. The present concern with national socialism shows that Hitler is far enough removed for one to be able to look at the questions. For a very long time it just continued in the background, and was not discussed. The reaction was to try to repress it, to forget about it, to in a certain way eliminate the past, and especially Hitler."

"The response of the German people to [the television film] 'Holocaust' is rather in my view a sign that there is a recovery to

health, to being able to look at the past. Some are saying that 'Yes, if we ignored, it is that we wanted to ignore.' So I believe it is a good symptom that they are discussing Hitler, and not a bad one. The French discussion of Vichy, what little there is of it, is of a similar sort."

"Not everyone agrees. I spoke recently with Heinrich Boll, and he expressed his belief that the argument of Weimar is overused as an alibi for the present violent reaction. Boll says there is a tendency, a danger, of rightist extremism, of the permanent accusations of intellectuals, and so on. I believe he is exaggerating. But he is especially sensible to the rightist danger, for he has been exposed to it by certain groups on that side."

Mr. Aron has been deeply involved with German culture since his earliest student days. As a student at the Ecole Normale Supérieure in the 1920s, he introduced his friend, Jean-Paul Sartre, to the writings of Husserl, the German philosopher who was to take such an important place in Sartre's "L'Être et le Néant" 15 years later. After receiving an *agrégation de philosophie*, Mr. Aron studied in Berlin during the final years of the Weimar Republic. Out of that time came the first of his fundamental works on the philosophy of history, and on history and action in Ger-

man sociology. The young French scholar was an interested onlooker to the changes of that time:

"In a certain way the Weimar Republic was something quite extraordinary. There was a great richness of culture, while at the same time there was a feeling of decline, or decadence. There were all sorts of intellectuals, of the left and of the right."

How do they compare with German intellectuals of today?

Nationalism

"I did not have much occasion to meet the extreme right intellectuals in the 1930s. As to the ones towards the left... Here he pauses, slowly sliding his hand along the side of his chair. He purses his lips, then continues, firmly: "In the 1930s, nationalism was the main force of the German people. Even the liberal intellectuals were more or less affected by nationalism, because first of all it was the refusal of the defeat, after so many victories; secondly, it was the refusal of the Versailles treaty, and thirdly, it was reinforced by the economic crisis of the 30s."

"All that produced such a strong nationalism that even among the intellectuals, even among those who hated Hitler and National Socialism, there was, very forcefully,

ly, a consciousness of the specificity of German culture."

"This has changed. When I meet German journalists or professors now, usually I don't know what they did during the Third Reich, and they are more similar to Western intellectuals than to anything specifically German."

"Today there are, of course, still a lot of German intellectuals who share in the great German culture. But many others are so conscious of the tragedy of German nationalism that they are tempted to go in the other direction, namely, to say that after all, Germany belongs to the West — and not just since 1945. They describe Nazism as a tragic accident, an incident in German history. But now there is a reawakening of German consciousness, which is noble."

Did the reduction in national self-consciousness, in national pride, correspond, by itself, with a decline in cultural life?

'Protectorate'

"It is part of a large situation," Mr. Aron notes. "The fact that we in Western Europe have no defense, and the fact that we believe that our security is based on the United States, is very detrimental. By that I mean that we are in the situation of what was called the past 'protectorate.' We do

not discuss the American's demands with them as if we were equals, and for countries so rich, so prosperous as are the European countries, to be unable to defend themselves... According to historical experience this is not a very good symptom."

"The reason for this weakness of will, for this loss of what I call a historical vitality, is easily expressed. The Frenchman today, for example, does not feel any enemy. We are in relative prosperity. We have no prospect of changing the world — leaving aside the beliefs of a few revolutionaries. It is a situation that is extremely easy to enjoy, but at the same time this is not a great moment of the intellectual history of France. Is there a relation between the two? Possible. Is it the same in Germany? I hesitate to answer, because I don't know enough about current German literature, but I fear my German friends would tell me the quality there is also not of the highest for the time being."

The West German rapprochement with the East began when U.S. Secretary of State Henry Kissinger was in his glory days, and it did not arouse his enthusiasm. Kissinger said this lack of enthusiasm contradicted his interest in détente, and showed he was concerned with Ostpolitik only as it might diminish personal control of world affairs. Ostpolitik would be a serious consequence from a more powerful, or more independent, Germany."

Both of these views fit in Mr. Aron's evaluation of the Ostpolitik, which he sees as having had two consequences: one internal, the other external, with the way they are linked reflecting Germany's unique position.

"At least according to the German people, Willy Brandt's Ostpolitik has been a success. The reason has been an improvement of the relations between West Germany and the Soviet world, better relations between East and West Germany, and the possibility for the Germans to visit their friends and cousins in East Germany. In the isolated sphere of the Germans it was a success. But for the Western world, it is more disputable."

Ostpolitik was the starting point of an independent German foreign policy. I would say that the mood, the feeling of the West Germans has changed during the last few years. They are still in the Western camp, but they have lost a certain degree of confidence in the United States. With Ostpolitik the Germans got the feeling that for the first time since World War II they were really becoming a state."

Good Ally

"Now they have a much greater ability to say no to the United States, be it on monetary questions, economic questions or military questions. West Germany is still a good ally of the United States, very much so, but it has its own views, convictions and the capacity to defend them. The changed way in which the Germans and the Americans discuss their quarrels, their difficulties to agree, is quite new to all observers."

"Schmidt himself shows very well the German loss of confidence in the United States. About Carter it is plausible that Schmidt has some... here Mr. Aron pauses, and smiles. "Some doubts about the competence of Carter as President of the United States. I personally believe Carter, though an improbable president, is a forceful personality, and not at all a second-rate or third-rate political figure. But at the same time I believe Schmidt is devoted to the ideas of the Western world, and I don't believe he is at all anti-American."

American strategists often say that if Germany became neutral it would not be allowed to stop at being neutral, and would transmute even further to become something of a larger Finland. Mr. Aron politely begs the question:

"When you speak to the Germans about becoming neutral or about going to the other side, they say you are very silly. I would at least say that for the time being it is quite clear they are in the Western camp, and they will stay there — for the time being."

Ostpolitik has not been in the news as flamboyantly recently as in the past. Perhaps this is because it has reached its limits, and any further change in substance that certain interested parties would not allow. Mr. Aron, being a first-hand observer of French politics, "where," he says, "substance and style reach perhaps the furthest separation in the West," finds the suggestion most reasonable:

"The new and important fact is that the West German people are dreaming a little bit more about the reunification of Germany. This is because of the better relations with Eastern Europe, and especially the better relations with East Germany. The West Germans are even using expressions like 'living under the same roof.' They believe a progressive evolution of the two countries closer to each other is conceivable."

"This is a dream, most certainly. The West Germans know the Russians would absolutely not accept the de-Sovietizing of East Germany. But it can be said Soviet reaction to Ostpolitik has been a failure, in the sense that the two parts

of Germany look at the same vision every evening."

One of the toughest points in German-American relations really has been the question of whether or not to introduce the neutron bomb in Western Europe, and particularly whether or not it should be stored on West German territory. There are two main arguments. One is that the neutron bomb would lower the threshold for clear war because it would be more plausible for nuclear war to be used. This position is most supported by arguing that new bombs would be the times Western response to a Soviet war with massed tanks."

The other position is that the neutron weapon would actually raise the chance for nuclear war because it would raise the threshold for nuclear war — because it would act as a deterrent, showing that the West has a strong force. By reducing the likelihood of any war, the chance nuclear war is even more remote."

Mr. Aron rejects both positions. The grounds for his rejection expressed implicitly in his two-volume study of Karl Clausewitz; they are based on a point of strategy:

"I don't believe very much in the notion of the threshold of the neutron weapon, because if the bomb does attack Western Europe, it would almost certainly be an attack, with tactical nuclear weapons," Mr. Aron notes, "entire discussion about the 'threshold' for a nuclear attack with conventional weapons. But the cardinal rule of strategy is not to make your strategy isolation. You must consider opponent's position and actions."

Rules of the Game

"It is wrong for Western liberals, and American and European newspapers and political leaders believe that the Russians will play the game according to our rules. They are saying, and propagating the opposite. Their military writers say that in the case of an attack it would be a total tactical nuclear war, such an instance the whole notion of the threshold for nuclear war would not arise. "I personally don't believe Russians intend to attack Western Europe for the time being, number of reasons: They would take such a major risk, it would be foolish to destroy Western Europe in order to control it, it would be hard to ensure ideological power over such a large region, and of other reasons. But if there is an attack, we must consider it might not be the one form of war we are considering."

The neutron bomb is just one of the issues forced upon Germany's central position in the North Atlantic Treaty Organization, which it cannot face in isolation. Even with the new style of German relations with the United States, Mr. Aron holds that the only apparent priority for Germany, they finally set it on the second rung of NATO. Europe, for the Germans, is only on the third or fourth rung. An example of why NATO is at Germany's top rung is might-have-been of the 1945 elections in March, 1978:

"If the French Left had won elections the presence of Communists in the government would have been a very harsh shock for West Germany, which is the core of the European present. The Atlantic Alliance would have been encircled, by on one side the Soviet world, East Germany, while on the other side France would no longer be trusted. I believe that the coming to power of the French would have been a terrible shock for West Germany. My German friends tell me that it would have been the beginning in Germany a rapprochement with the Soviet Union, or at least there would have been a danger of this. I might say that the question was really current before March, 1978. No is an academic question for coming years."

As for Mr. Aron's prediction of the place of Germany in the decade or two:

"When the question was put me 10 years ago, my tendency to say it will be the same. For a dramatic change would mean a breakdown of the present structure. It is extremely difficult to conceive. When you put the question now, my tendency is to leave aside accidents, or catastrophes, which are always possible — that the situation of Germany will be more or less the same oriented to the East a little bit more than it is today."

"But you know I have been in the certainty of my answer. In 1945 I was ready to bet at 100 to 1 odds that Germany would not be divided at least a generation from that time. I would be accepted those odds. When the question was put to me in 1965, whether I was ready to take the same bet, the next 20 years, my answer was, 'yes, but perhaps not at the extreme position — perhaps at 10 to 1.'"

"And just the same, if you ask the question for the next 10 years, still believe things will be fundamentally the same, but with a greater uncertainty than 10 years ago."



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مركز خدمة العملاء



Key Nuclear Firm Faces Challenge to 'Keep the Lights On'

By Thomas C. Lucey

FRANKFURT (IHT) — Kraftwerk Union AG, the nuclear power plant builder, as well as one of the largest companies of its kind in the world, is also a seriously troubled

company. From the early 1970s, KWU has been the target of a series of attacks by environmentalists, who have accused it of being a threat to the environment. The company has also been accused of being a threat to the environment.

Positioning itself as a top electronics company, KWU has a strong position in the international market as the third largest supplier of nuclear plants, following Westinghouse and General Electric.

As a result, KWU has lost its position to the French firm Societe Franco-Americaine de Constructions Atomiques (Sofatoma), a subsidiary of the French Atomic Energy Commission (CEA).

Study of the industry shows that KWU has not had a period since 1975, during the decline of the nuclear industry, when it was able to secure contracts for 16 plants, 12 of which were for the fast-growing French market.

However, at the same time, orders totaling 7.5 billion DM for domestic plants — accounting for half of all conventional and nuclear-plant building in West Germany — were blocked due to construction stoppages by court order or government administrative decision. Like other German companies in this field, KWU received its last order for a nuclear plant on the domestic market in the summer of 1975.

Germany has 15 operating nuclear plants and plans for 11 more by about 1985, which is often cited by advocates of nuclear energy as the year when 'the lights will go out' if this country does not increase its power production.

The post-1975 stoppage of new nuclear plants is due to the sharp increase in objections raised during the step-by-step series of official approvals needed to start and continue a plant.

As of late last year, of the 25 billion DM marks in current contracts, 14 billion DM were for international business.

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burg" as a "massive offer" of shares in KWU's parent company came on the market. A statement by the KWU board of directors said that a similar accident could not happen to their reactors helped to calm the market, the newspaper said.

Before the Harrisburg disaster, as a result of the lack of new contracts for nuclear plants on the domestic market, KWU had dismissed 100 employees who make components for nuclear plants at its West Berlin branch. Despite Siemens' announcement in March that no more KWU employees would be let go, the stoppage of new nuclear plants in Germany alone remains a real threat to the jobs of about half of KWU's 14,000 employees and, eventually, if the firm is to be taken at its word, to all KWU employees.

The company has said the post-1975 effective stoppage of new plants in Germany will eventually remove it from the world market as well. Chairman Klaus Barthelt has pointed out that "no customer in a foreign country will buy anything from you that you may not build at home, and the competition is already using this argument against us."

KWU cannot continue to carry a full nuclear staff "as long as we like" while operating at only about 50 percent of capacity, Mr. Barthelt has noted.

A saving factor has been that since the stop in new contracts for nuclear plants at home, KWU's export business has increased. "The only difficulty is that we have had to create whole infrastructures, practically starting from scratch, in some countries," Mr. Hospe said.

In Iran, we built a whole town, with 500 one-family houses, a hospital and schools. We also built roads.

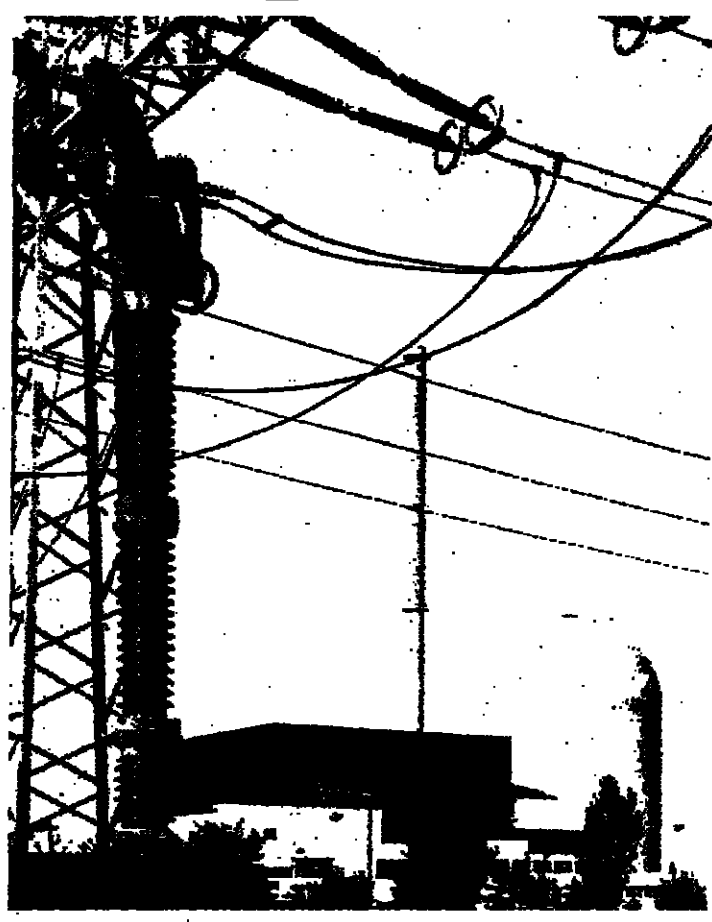
Whether KWU will complete its nuclear plants in Iran remains to be seen, although its costs before the new government halted construction are said to be covered.

Brazil Project
President Carter made one of KWU's overseas nuclear-plant construction sites the best known to the general public when he demanded that the fast breeder project in Brazil be stopped in order to prevent plutonium becoming available there. The fast breeder concept was originally an engineer-

ing "dream" because it was a kind of perpetual motion machine, producing new fuel from its own spent fuel. The process turns out plutonium, called by some "the most dangerous element in the world," which can be used to make nuclear weapons.

Since 1956, the United States has had research nuclear plants in Brazil for medical and university use," Mr. Hospe noted. "If the Brazilians really wanted plutonium, they could have had it for years. Besides, it is completely uneconomical and it takes too long to build such a large project only for bombs. They wouldn't do it that way."

The first plutonium will be available in 1982 or '83 from the Westinghouse reactor. From the



KWU's major product is the nuclear plant.

tions to making plutonium available to Brazil is that the country did not sign the nuclear proliferation treaty. The Germans point out that Bonn did sign the treaty and that KWU's contract with Brazil conforms to strict international standards.

The Carter administration's opposition to the KWU project continues. The Frankfurter Allgemeine Zeitung, one of the leading West German newspapers, noted that shortly before Chancellor Helmut Schmidt's visit to Brazil this month, Vice President Walter Mondale reaffirmed in a speech the U.S. commitment to its nuclear policy.

'Closed Matter'

At almost the same time, Brazil's Foreign Minister, Ramiro Saraiva Guerreiro, told the FAZ that his country considered KWU's contract a "closed matter" that would be completed "without any delay."

Brazil has reportedly given definite contracts for two nuclear plants from KWU and, according to Bernhard Pletner, the chairman and chief executive officer of Siemens, a Brazilian government official recently "made it clear that four nuclear plants will be built."

Brazil is said to have options for a total of eight such plants. The U.S. and West German governments are engaged in arguments along similar lines about KWU supplying a second nuclear plant for Argentina.

Meanwhile, KWU has become the third largest builder of power plants in the United States, according to its own estimate. In terms of contracts for megawatt capacity, Mr. Hospe said, KWU is just behind Westinghouse and General Electric. Since 1970, KWU has engaged in joint ventures with Allis-Chalmers, the Milwaukee-based engineering firm, that led to selling KWU turbines in the United States. KWU now has contracts for U.S. delivery of 23 turbogenerators, including some of its biggest.

In April, 1978, KWU became the major partner (85 percent) with Allis-Chalmers in a new company, the Utility Power Corp., which is building a 1,300-employee plant near Tampa, Fla., to make complete generators and turbines. The first products of this \$120-million investment for KWU are expected to be turned out within a year.

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Social Democrat Leader Takes a Stand on Reunification

By Keith Richardson

BONN (IHT) — Like a stern bespectacled uncle, 72-year-old ex-Communist Herbert Wehner presides over the ruling Social Democrat Party members on the floor of the West German parliament. Outside Germany, he may be less well-known than the other members of the troika who run the party — leader Willy Brandt and Chancellor Helmut Schmidt. But inside, his influence is phenomenal. Mr. Wehner is keeper of the party's soul. He pushed it away from Marxism in the 1950s, maneuvered it into government in the 1960s and crushed a dangerous left-wing revolt against Mr. Schmidt barely two years ago. Now, in the course of this year, Mr. Wehner has launched a debate that has changed the face of German politics and could shift the whole balance of East-West relations. If the German people like where it leads them, it could just push the Social Democrats in 1980 into the goal that has always eluded them, that of securing a clear and absolute parliamentary majority at last.

"Herbert Wehner's New Germany — through disarmament to reunification?" So ran the cover page title of a recent issue of the Hamburg magazine *Der Spiegel*. In a vivid phrase, this title captures the two themes that Mr. Wehner has brought into the center of debate. Themes on which no German initiative could have been dreamed of until very recently; themes that can tug at every German heart, and serious vote-winners for any politician who could find a practical way to move toward them.

But they could also pose risks to Germany and the West as a whole, as both government and opposition spokesmen have pointed out. It is far from clear how the debate will settle down, nor how far Mr. Wehner himself would care to take it. But what is clear is that neither of these heavy topics can any longer be ignored.

If there are two permanent grievances nagging at any thoughtful German they are these: that his country is split in two and that its

soil is occupied by the biggest concentration of military might in the world, the likeliest scene for any nuclear holocaust. Yet the obvious solutions, disarmament and reunification, have been ruled out by the facts of power politics. What is it that has happened to change the picture?

The answer is that, first, the Soviet Union is now developing an overwhelming mastery in terms of armed forces in Central Europe that poses for the West a defense dilemma to which no satisfactory solution is yet in sight — apart from a very costly and itself dangerous rearmament drive. But by a strange paradox, at the same time, relations between Bonn and Moscow are better than ever before. Does this fact really offer a more peaceful and much cheaper alternative solution? Herbert Wehner thinks it does.

Helmut Schmidt came home from the Guadeloupe summit in January with the news that all the Western leaders were worried about the Soviet build-up in

A vivid phrase, "New Germany — through Disarmament to Reunification?" captures the two themes that Mr. Wehner has brought into the center of debate. Themes on which no German initiative could have been dreamed of until very recently; themes that can tug at every German heart, and serious vote-winners for any politician who could find a practical way to move toward them.

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Europe. The point at issue is very clear. The Soviets have long been catching up on U.S. strategic (intercontinental) superiority. They have long been far superior in conventional forces, with their 19,000 tanks facing the North Atlantic Treaty Organization's 6,500, their 5,800 guns against 1,200, and rapid improvements in the quality of their supporting techniques like river-crossing, chemical protection, and electronic jamming and counter-jamming. But to these has suddenly been added a dramatic superiority in the intermediate or "gray zone."

The gray zone weapons that cause the fuss are the Backfire supersonic bomber and the even more sinister, triple-headed and highly mobile SS-20 missile, either of which can deliver a nuclear warhead to any point in Western Europe, but because they cannot reach the United States they do not come under the SALT disarmament talks. The threat is that they would deter the West from using any of its own tactical nuclear weapons, which are its only effective way of countering a Soviet

land attack, and the Soviet tanks would be free to roll from the Elba to the Rhine any fine weekend.

Complex Territory

As the big defense debate in March showed, the German opposition parties are well tempted by the idea of heavy rearmament to counter this threat, with new weapons like the Cruise missile and the Pershing II rocket. But Chancellor Schmidt and Defense Minister Hans Apel were uneasy. Such weapons would for the first time give German forces the capability of delivering their own nuclear strike on to the soil of the Soviet Union itself. And that might be thought to be dangerously provocative.

Into this complex territory Mr. Wehner has stepped with a series of highly controversial remarks. First came his claim that all this massive Soviet military build-up should be regarded as defensive in character and posed no threat at all to the

West. He denounced any idea of stationing medium range "gray zone" rockets on German soil and demanded a firm reunification of them.

Instead, he called for much more vigorous action by the West at the MBFR (conventional forces) disarmament talks in Vienna where, he said, high political matters were being dealt with by technical experts and genuine offers from the East were not meeting a proper response from the West. Then he went so far as to lay the blame for poor progress at Vienna specifically on Vice-Chancellor and Foreign Minister Hans-Dietrich Genscher, head of the coalition Liberal Party.

What gradually emerged from the dust of the ferocious row triggered off by these remarks was that Mr. Wehner had more precise political objectives than mere disarmament for its own sake. On a visit to Hungary, he denounced the "Bonn-Washington axis" (which many people would regard as the very core of the Western alliance) because axis politics had brought so much damage to Germany in the past. Instead, in a separate interview, he laid down that his real objective was an improvement in East-West relations that would

eventually lead, if not to reunification itself, at least to a "confederation or an economic community" between East and West Germany.

In other words, Mr. Wehner, along with important allies like party secretary general Egon Bahr, sets himself in the main tradition of East-West détente, the heart of German foreign policy ever since Mr. Brandt came to power. But he is arguing that a major initiative toward military détente is needed before political détente can be taken any further.

Improved Detente

Such an idea does not fall on stony ground. Over the past 12 months, essentially since the visit of Soviet leader Leonid Brezhnev to Bonn in May, it has become very clear that an improvement in détente was what Moscow wanted too. German diplomats, at first cynical, were amazed at the emphasis the Soviets put on their Bonn visit and the lavish claims they afterward made for its success. Disarmament was one of the key points on the Schmidt-Brezhnev declaration that concluded the visit.

Since then there has been an unprecedented improvement in de-

tailed East-West relationships, culminating in the November agreement between the two Germanies for the construction of the long-needed Berlin-Hamburg autobahn and the clearing of the Teltow canal into West Berlin. It is true that Bonn has to pay more than 1 billion Deutsche marks for the privilege, but one resource that Bonn is not short of is money.

Western negotiator Guenter Gaus was impressed by the East's eagerness to reach agreement. West Berlin's mayor, Dietrich Stobbe, claimed that 1979 would be a year of great opportunity to follow up this success. Talks about better water and electricity supplies have begun. The West German trade union chief, Eugen Loderer, Krupp president Heinz Petry, and Economics Minister Otto Lambstorff were enthusiastically welcomed at the Leipzig trade fair in March. The East German chief, Erich Honecker, stopped by the Krupp stand at the fair to express his hope for a big improvement in trade between the two Germanies, currently running at 9 billion DM a year. It is no secret that Mr. Honecker is an old friend of Herbert Wehner's.

What does the Soviet Union really want? German experts point



Herbert Wehner

above all to Soviet fears of China and anxiety that the United States and Britain will "play the China card" to cause the maximum of embarrassment to Moscow. Mr. Wehner needs peace and stability in Central Europe, plus Western economies moving ahead. To this end, one of the most experienced of all Soviet diplomats has been sent to their embassy in Bonn, Vladimir Semionov, a man who helped to negotiate the last important Soviet-German pact — in 1975.

Serious Breach

What do the Germans want? Chancellor Schmidt's dealings with the Carter administration in Washington is well testified. Successive arguments about human rights, neutron bombs, and power deals, U.S. oil imports, the collapse of the dollar have created a serious breach that no words can paper over. One was to plunge Mr. Schmidt's sudden enthusiasm into European Community politics, only to meet with a very negative response from the British government and bickering from the French. Temptation to look at Central Europe in a new light is strong. "The EEC is becoming unattractive to us Germans but in the East we make things happen," says one Mayor Stobbe's closest adviser. Detente and ostpolitik have brought unquestioned advantages to citizens of both Germanies. Not pursue them further?

And yet those Soviet tanks there. The Western alliance is Germany's only protection. Brezhnev is also 72 and who knows who will soon replace him? This area where any conceivable policy is full of risks. Christian Democrat defense expert Manfred Woerner has warned against making endless concessions "just to a badly stuck détente policy in the East."

Perhaps the real change is that Wehner has made sure that risks and choices will be fully debated by the German people themselves, who will then make up their own mind what to do. Most Germans are no longer in a mood to accept orders from Washington patronizing lectures from Bonn and Paris. And this is something that will take its partners a long time to get used to.

Craftsmanship in foreign trade financing

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By Clotilde Lucy

DUSSELDORF (IRE)—This country has a substantial number of trade fair organizations and is presently making every effort to attract domestic and foreign firms to their home grounds.

At the M. Nowca, the Dusseldorf office of a large American fair company, a department of the magazine in sending domestic and foreign trade fairs.

Since the late 1948, about 39,000 German companies have used its facilities at 1,500 fairs in 81 foreign countries around the world. The points include exhibitions at the World's fairs in Brussels, Montreal (1967) and Oporto.

Forty specially equipped vehicles travel exhibitions of German products through East and Central Africa in the early months.

Another traveling exhibition, "Light on Germany," went to the four parts of the United States in 1954.

Nineteen years before the first foreign fair section had set up in German industrial exhibition after World War II, the German Industries Exhibit in New York's Rockefeller Center in 1935—one year after the "birth" of the Deutsche mark—consisted of 10 participating firms. A hundred thousand visitors went to see it.

Today, the number of visitors is becoming rising from the rubble left in the Atlantic.

It is the foreign section, a nonprofit organization, the official Dusseldorf office, that organizes, does everything, and supplies information from planning and supplying marketing information to them.

Some of the firms that are coming back up—and dismantling—are those that were in the Western world. Only professions, mechanics, carpenters, also 72 artists and decorators from Dusseldorf.

There are any motto: "We do everything for the risk."

New Name

the real area Ausland Messe Institut, or (Foreign Trade Fair Institute) — choices will be announced its immediate Germany. To concentrate on markets, will then be Comecon countries, especially what to the Soviet Union, and the Association of Southeast Asian Nations; long-term emphasis on Singapore. The NAMI's first step in making 30 lectures on export experience available to its participants was to hold a Novosibirsk Export Forum Feb. 7 and 8, 1980, at the

Duesseldorf fairgrounds. The purpose of the forum, according to Wilhelm Nidergoecker, NAMI marketing manager, is to prepare Germans who plan to exhibit at two fairs, Upakovka (packaging) in Moscow and Printpack (packaging and printing) in Singapore.

"We don't pick just any foreign fairs, but ones that have a connection with the Duesseldorf fair," Mr. Nidergoecker said. The related fairs in Duesseldorf are Interpack (packaging) and Drupa (printing and paper). In addition to providing such

"export know-how"—the exact words used in German — NAMI is also building up an "export marketing service" to use the German words again.

The services of the institute are specially aimed at medium-sized firms interested in foreign markets,

although NAMI is also available for large corporations, officials at agencies and institutions. NAMI plans to involve universities and other places of higher education in the program.

"Today, industry is more interested than ever in foreign trade,"

In practice, Mr. Krumbiegel said, "we first make market and sector data available to the client. We have to be convinced that it is the right market for him. We would

never simply say, 'There is a failure. Go there.' No, first we research the exact state of the market until we are sure that it is OK.

"There are, of course, borderline cases in which the product cannot be put in exactly the right place. Then there is a certain risk in te-

...that had been too shy to take their products to a fair abroad. . . . We take many burdens from the clients, like shipping and customs. Many companies still do not know anything about foreign markets. We offer them a service that says, 'There is a market where you can . . . go that is ripe for your product.' . . .

ing a client where to go. But we can also consult our friends abroad," he added.

"Whether a foreign fair is good for a client depends on so many things. It depends on politics, on the theme of the fair, our own economic situation and the foreign-exchange situation, which is a very decisive factor.

"I would not say that one can see a foreign trade fair as a chance for great increases in sales."

If all the statistics on foreign fairs for the last 10 or 20 years were studied, Mr. Krumbiegel said, the "up's and down's would be rather constant."

Support

However, the fact that during that period the number of foreign fairs increased "greatly" indicates support from profit-seeking firms.

In addition, the fact that West Germany has climbed from a defeated nation, with a vastly bombed-out industry, to the world's leading exporter lends a definite "up" character to the changes during the last few decades.

"In the 1950s, we had a joint German exhibition in Canada, with hundreds of firms participating," Mr. Krumbiegel recalled. "That would be unthinkable today. The explanation is simple: Germany had no connections overseas then, no representatives or importers. The government supported that exhibition because German industry had to find such partners over there."

"Today, it is also no longer necessary to go to South Africa because German companies are already in good hands there. A trade fair there is more for PR effect — business is not made at the fair."

While the institute cannot guarantee success at foreign fairs, Mr. Krumbiegel said that "we do provide a large amount of information for many medium-size companies that had been too shy to take their products to a fair abroad. . . . We take many burdens from the client, like shipping and customs. Many companies still do not know anything about foreign markets. We offer them a service that says, 'There is a market where you can go that is ripe for your product.'"

Special vehicles in mobile exhibitions attracted attention as they moved through Africa in the early 1960s.



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'Das Superding' Puts Berlin in the Fore of Congress Centers

By Clotilde Lucey

BERLIN (IHT)—The people of this city quickly bestow not-always-flattering nicknames, and they have one for the newly opened International Congress Center — "Das Superding."

The super thing, which cost the city-state of West Berlin 755 million Deutsche marks to build, is 320 meters long, 80 meters wide and 40 meters high — a block of concrete and aluminum able to hold as many as 20,000 people attending meetings and conferences of varying sizes in 80 different halls and rooms.

No expense has been spared in what the magazine *Der Spiegel* says is "the biggest and most expensive construction project in postwar Germany." Years of research were devoted to developing a special ICC combination auditorium seat and small desk. It is patented and each costs about 1,800 DM. Even the air conditioning was specially designed.

"When the pyramid of Cheops has long been worn away by the weather, the ICC could still be standing," said West German President Walter Scheel at the opening ceremonies on April 2.

President Scheel was specifically referring to the qualities of the center's concrete rather than to its economic stability. Although the new site is said to be almost booked solid through the end of next year, annual upkeep is expected to cost close to 30 million DM, and the ICC will be able to survive only with government subsidies.

Bonn already spends many millions of marks each year to keep the former German capital from becoming a ghost town. It has a declining population with an above-average percentage of retired people and university students due to the continuous flight of many persons of working age.



The new International Congress Center in West Berlin can seat up to 20,000 people attending 80 different meetings simultaneously.

rapidly is tourism, and West Berlin cannot build hotels fast enough to satisfy the demand. True, some of the visitors are in West Berlin on Bonn-subsidized trips. But many are business travelers, drawn to the

city by its almost unbroken series of trade fairs and conferences. The ICC is expected to increase the ranks of these visitors, whose value to the city has been expressed as at least 200 DM spent per day.

Without the new conference hall, West Berlin would lose these visitors, according to ICC officials. They say that the size and technical equipment of the existing Congress Hall — nicknamed "The Pregnant

Oyster" by Berliners — are no longer adequate for the leading congress and conference city in Germany and the 10th in the world. As a result, ICC officials say, West Berlin slipped to 14th place and temporarily even to 17th, although the planning and acquisition of gatherings for ICC brought this city back to 10th place by 1977-78.

Planning for ICC actually started in 1964, three years before the Congress Hall opened. In the course of planning, there were major changes. ICC grew from a smaller facility expected to cost 350 million DM to one for 450 million DM, then to 650 million DM and finally

up another 100 million DM to its present size and cost.

Part of the increase was due to changes made in the plans as late as 1977-78 to suit new requirements of the national and international congress and convention business. In addition, the cost of labor and materials rose.

"We also had to plan in the interests of the city because it could be seen that [Berlin's] industrial facilities would not expand and; therefore, we had to increase the services sector," an ICC executive explained.

Not only is the congresses and conferences business part of the services sector, but it is an expand-

ing one around the world. So the plans for the new center — as well as those for the city's new hotels — were made with the needs of the next 25 to 30 years in mind. And West Berlin wanted to build something that would attract international attention.

'Doing Something'

"In the last two years, I have traveled around the whole world," said Peter Haupt, the ICC general manager. "People were open and showed great interest. Especially in the United States, people know that there's a wall in Berlin, that there was once an airlift [during the Soviet blockade of the city in 1948-49] and that Kennedy said 'I am a Berliner.' And that is all that people know about Berlin."

Through the new center, he added, "we are doing something for Western freedom, and we are also doing something for ourselves."

To keep the ICC filled with meetings and conventions, the center has its own sales staff and its own representatives in Washington (with a small West Coast branch) and London. In addition, there are salespersons in eight countries for AMK, West Berlin's own conference and trade-fair organization based on the fairgrounds across the street from ICC, and overseas offices of the chamber of commerce at the service of the new site.

AMK and ICC are part of the same company, which is owned by the Berlin senate, the chamber of commerce and the trades chamber. AMK runs the trade fair (where some events will be held in conjunction with meetings at the ICC), the Deutschland Hall, an ice sports hall and the old Congress Center, which continues to enjoy good bookings despite the new and much larger competitor.

"Actually, the international congress market for us consists of about 10 countries," an ICC official said. In addition to the United States and Britain, these include the neighboring countries of Belgium, the Netherlands and Switzerland ("the main places of emphasis") as well as Luxembourg ("interesting because of the international organizations there") and Austria.

'Package'

"It is not our job to get many participants to a congress, but to get congresses," he continued. "The number of people who come to a congress is the business of the congress itself. We are part of the package — the offer includes the congress facilities, hotels and service facilities, such as sightseeing tours, retail shops and so on."

More and more cities have congress centers that are supported by the (official) tourist office. Although such facilities help to fill hotel rooms, they are sometimes in competition with the hotels' own convention facilities, which, according to the ICC official, are often substandard as far as technical equipment and other facilities are concerned.

"Eighty percent of the large congresses in Berlin, with 1,000 to 5,000 people, are divided into working groups and only at the end do they come together in full session. That is why we have so many meeting rooms in the ICC," the official said.

Although the ICC was built by the city — most such centers are built and run at government expense — center officials say that they have no government funds or price discounts to attract business.

"What we can offer with our technical facilities costs money and we did not build to give things away," Mr. Haupt said.

"The most important thing is that conference centers have a cer-

tain income to cover operating costs. They must be supported by the city or state, as city administrators and sources of funding learned. A congress center considerably improves the infrastructure of a city. The turnover for local services is increased. For example, our first year, we have about 90,000 participants, divided into meetings. These people are here a total of about 600,000 days. We calculate that a person attending a congress spends 200 to 300 marks per day. That amounts to a considerable sum."

Competition

Mr. Haupt feels that the competition ICC faces on the world stage has been somewhat exaggerated. Because of our high technical facilities, we have something to offer. In addition, there is the leisure value of a city that has good theater, concerts, museums and art exhibitions. We have the Philharmonie, the Theater des Westens, the Deutsche Oper."

Although the capacities of these attractions are not sufficient to cause the Berliners to go there, the ICC now offers the possibility of having more guest performers and entertainers in Berlin, he points out, since the center has the facilities to present operas, concerts and plays.

Sixty to 70 percent of the participants using the ICC are expected to come from West Berlin and West Germany, with 20-25 percent from the rest of Europe and 10 percent from overseas. Attracting non-Germans to this city is another role of ICC for West Berlin.

Focus on Hessische Landesbank - Girozentrale -

"Half of Germany's top 10 banks are Frankfurt-based. We're one of them."

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Perhaps less well known internationally is that Hessische Landesbank is one of Frankfurt's big native-born banks. Half of Germany's top 10 banks are Frankfurt-based. We're one of them."

Now about the bank itself. What's its size and structure?

"Hessische Landesbank is Germany's 9th largest bank, 3rd among Landesbanks. As a government-backed regional bank, our liabilities are guaranteed jointly by the State of Hesse and its Sparkassen and Giro Association. We also act as banker to the State of Hesse, from which our name is derived, and perform clearing functions for the 52 regional Sparkassen."



What about your service facilities?

"We concentrate on wholesale banking and medium to long-term fixed-rate DM lending. As a German universal bank, our facilities cover the full range of commercial and investment banking services. Because we don't operate a branch network, we can devote our time and energy to wholesale banking activities."

In recent years we have strengthened our participation in international issues. And we provide comprehensive investment management and brokerage services, including securities trading. Our membership of the Frankfurt Stock Exchange facilitates dealing in quoted shares and fixed-interest securities."

And sources of funds?

"A large part of our funding is done by issuing bearer bonds and SD Certificates (Schuldschein-darlehen). The total in circulation is about DM 20 billion."

Who are the bank's main clients?

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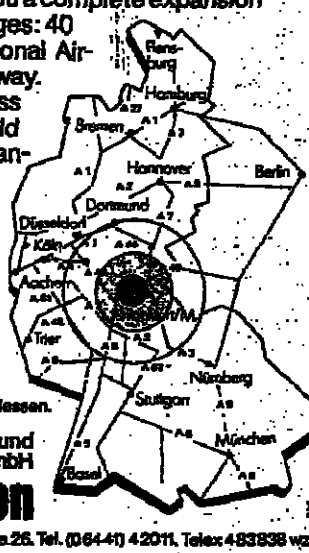
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Radio tower is old fair's landmark



Women in Politics — a Reservoir of Talent Being Tapped

By Darrell Delamaine
and Veronika Jans

Germany has hardly been a pioneer in women's rights. For what historical or social reasons, the Federal Republic is lagging behind the United States and perhaps even other European countries.

Even holding top business positions is a rarity and, in politics, women generally have been relegated to minor ministries (health, family, social affairs) — although there have been notable exceptions to this.

The women profiled here are not typical. They belong to the younger generation of politicians and their political activity indicates a whole new approach to politics that is just now being born.

Three are politicians, each of whom served in the Hamburg Bundestag, the parliamentary body for the state. This was not a coincidence, although it perhaps says something about the liberal atmosphere of the city. Each has received professional training, married and two have children, although each of the women in politics involved families of them intended to enter politics as a profession, and none of them aspires to a top political position.

Mrs. Schuchardt, 39, is chairwoman of the Free Democratic Party in Hamburg and a member of the Bundestag. Mrs. Breuel, 41, is an economist and a member of the Bundestag. Mrs. Fuchs, 41, is a state secretary in the Lower Saxony state government.

Mrs. Schuchardt is a member of the Social Democratic Party (SPD) and a deputy chairman of the Hamburg FDP.

In the following interviews, the women discuss their careers in politics, their present duties and the states of their parties.

Q: How do you see your role in politics?

A: I see it as a woman's role. I am a woman and I am in politics. I am not a politician. I am a woman who is in politics.

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Helga Schuchardt

Maihofer. "Maihofer didn't remember very well to keep his liberal principles as minister," she asserts. "We lost a good deal of image and identity from that, which we are now laboriously trying to get back."

Mrs. Schuchardt points to the growing resistance of voters around the world to government intervention. "My party has not succeeded in the past few years in saying that we are the ones who will most likely preserve that social system allowing diversity and initiative — in short a system where each can be happy in his own fashion, whether he earns a lot of money or little."

Cause to Meditate

The chairman of the Hamburg FDP had good cause to meditate on these topics following her party's disastrous electoral defeat last June. The FDP share of the vote slipped to 4.8 percent from 10.9 percent, thus the party failed to jump the 5-percent hurdle necessary for parliamentary representation.

The Hamburg FDP was the victim of the challenge from environmental protest parties. Following the Hamburg debacle, elections in other states usually confirmed the FDP position. "Voters became much more conscious of that 5-percent hurdle; they realized they didn't want us out altogether," Mrs. Schuchardt notes.

But the FDP dilemma surfaced again for Mrs. Schuchardt last winter in the Bundestag debate about further development of the fast breeder reactor. The Hamburg deputy was in a group of six FDP parliamentarians who opposed the government's continuation of the project. Only the threat of resignation from the four FDP ministers in the Bonn cabinet forced them to back down — they withheld their votes rather than cast them against the government, and the measure passed.

Mrs. Schuchardt contends that the CDU, which favored the project, voted against it merely to embarrass the government. The pressure from her own party, in this instance, was a sign to her of Germany's inexperience with democracy. "What is bad here in Germany is that much more so than in other democracies, a minority government is something very suspicious. What is typical for our

democracy is that everything must be stable — majorities must be stable and party discipline must be stable. What Carter, Callaghan and Giscard got through — that, just doesn't happen here."

"And so," she continues, "when Chancellor Schmidt lets it be known at international meetings that he, in contrast to the others, has a solid majority behind him, I find this embarrassing. It shows that we haven't practiced democracy very long."

Mrs. Schuchardt's political ideas were formed from discussions she heard at home as a child of Free Democratic parents. "You have to remember," she recalls, "in the 1950s, everything was discussed from the point of view of how could that happen in 1933?" She completed her training as a technical engineer and found a job with Lufthansa in Hamburg. In 1965, she joined the FDP out of the conviction "that in a democracy, one shouldn't just be a spectator, but should try to have a voice in decisions."

In 1970, she ran for office in the Hamburg Bundestag. "The Bundestag is really a free-time occupation and went along with my Lufthansa job," Mrs. Schuchardt explains. Her election to the Bundestag came in 1972, marking the switch to full-time politics.

Mrs. Schuchardt admits to some ambition — "I mean, one doesn't get into politics without some ambition" — but says her only immediate goal is to be re-elected to the Bundestag in the 1980 elections. She says she prefers being a lawmaker and will continue to concentrate her energies in the areas of education, development aid — and nuclear energy. Almost against her will, Mrs. Schuchardt said, she is being drawn more into women's issues — simply because so much needs to be done in this area.

Mrs. Schuchardt feels that being a woman, if anything, helped her rise in the FDP "because there are so few women." At this point, she adds, there's no question of being a "token."

Economics Minister

Birgit Breuel's invitation last June to become West Germany's only woman economics minister surprised her — for one reason because she does not even live in the

state whose cabinet she was asked to join.

When elections last year in Lower Saxony gave the Christian Democratic Union a majority (as in Hamburg, the Free Democrats, who had been in a CDU coalition, failed to gain representation in parliament), minister president Ernst Albrecht asked his long-time friend and party associate, Mrs. Breuel, to take over the newly vacated minister post.

There was some suspicion that Mr. Albrecht, who earlier had appointed the first woman president of a state central bank, was making political capital by appointing a woman cabinet member. Others charged that Mrs. Breuel, daughter of a prominent Hamburg banker, Alwin Muechmeyer, was thrust into prominence only because of her father's reputation.

"If I had taken this discussion about taken women seriously," comments Mrs. Breuel, "I would have quit politics after the first two years." From 1970 to 1978, Mrs. Breuel was a member of the Hamburg Bundestag and a spokeswoman for the opposition CDU on economic matters. A former journalist and sometime writer who studied political science and economics in Geneva, Oxford and New York, she had delayed her career until her three sons were grown.

"I was always of the opinion that children should have the higher priority," she said. "Now they are 15 and older. When the invitation for this post came, I talked to them about it and they thought it was a good idea. And that was the leap into a political career." But she stresses that family plays an important role for women in politics, perhaps more so than for men.

Mrs. Breuel concedes that the contacts she had through her family were advantageous. "But there is the big disadvantage that one constantly encounters an enormous prejudice," she adds. "One is immediately presented as a packaged cliché and so it is much harder to make clear one's own qualities or get across one's own ideas."

Commuter

Lower Saxony's economics minister retains her residence in Hamburg. "Actually, I don't live any further away than most state ministers here," she points out. "Besides, it's not a question of distance, but of working together." She had known Mr. Albrecht for many years and they discovered a similarity in thinking while working together on federal committees.

Party affiliation, of course, was decisive, although Mrs. Breuel is quick to reject the supposition that as a banker's daughter she had to join the CDU. "When one examines the party spectrum, it's easy to conclude that the party I like doesn't exist. So the choice is, which is least bad," she explains. "Although the reason one joins a party is to set accents in that party."

The accents Mrs. Breuel wants to set in the CDU are basically less state, more market — or, as it applies to non-economic areas, a restoration of responsibility to the citizens. "Younger people are discontent. They want to have a voice, they don't want everything preplanned," she claims. "Here is a be-

sic task for the CDU and one where they can do much more than they have."

Mrs. Breuel has established an office to investigate chances for privatization — that is, to return to private hands various activities that the government in Lower Saxony has taken on. Other tasks she has set for her ministry include: the establishment of new industry, especially along Lower Saxony's underdeveloped coastline, the fostering of new activities in research and development to shift the economic orientation of the state away from problem industries, such as steel, shipbuilding and textiles, to growth areas; and a qualitative improvement of the state's tourist industry. She says she has found the ability of the 10-member Hanover cabinet to work together one of the most impressive and pleasantly surprising aspects of her move to Hanover.

Mrs. Breuel concedes that the fact she is a woman made a difference when she started in politics back in 1968. "Much of the basis of politics is a barroom togetherness, and there are certainly some hangups regarding women," she recalls. But after one reaches a certain level, women have it almost easier, she adds. Nor is it so important which party one is active in. "Those women who are going to make it are going to make it," she says, "it's just a matter of chance which party one lands in."

Mrs. Breuel says she is not looking beyond her four-year mandate in Lower Saxony. She rejects any notion that women should be artificially promoted to high party office. On the contrary, she feels that the more active role of women in politics is, so far, a natural development.



Anke Fuchs

Anke Fuchs says that social policy was always something of a hobby of hers. As the state secretary in the federal Labor Ministry she currently has responsibility for reorganizing payments for the survivors of pensioners (so that women get equal treatment), taking part in the concerted action in the medical industry to slow the rise in cost of health insurance, formulating legislation for protecting workers and improving working conditions, and working with the federal labor institute in Nuremberg to improve job opportunities — a bit more than a hobby now.

Mrs. Fuchs, a former trade union official, obviously relishes the opportunity to play such a decisive role in formulating government policy in the social area. So much

so, in fact, that she is not sure just what to make of her recent nomination to become a deputy chairman in the federal SPD — a title she would share with Chancellor Helmut Schmidt and other top officials.

The nomination so completely surprised me, I haven't had time to check things out," comments Mrs. Fuchs. "Nor do I think it proper for me to engage in the public discussion at this time."

While admitting that it would be highly unusual for a high party functionary to hold the civil service post of state secretary, she says, "I'm not giving this job up."

Nonetheless, she plans to run for an SPD Bundestag seat in the 1980 national elections. So, whether she is voted to the SPD post later this year or not, her activity is likely to become more political in the near future.

Nor is this surprising for the daughter of the late Paul Nevermann, a former SPD mayor of Hamburg and as evidenced by the testimonials upon his death last month, one of the city's most popular politicians. "My parents' house was one of the first meeting points for Social Democrats after the war. This is my emotional tie to social democracy," Mrs. Fuchs explains. She says that the impressions given her of the Social Democratic role in the Weimar Republic and her own early resentment at the extent of privilege in society led her to join the SPD immediately upon leaving secondary school.

When Mrs. Fuchs completed her training as a lawyer, she took a job with the Deutsche Gewerkschaftsbund, the trade union federation. "The question was still open (as to) whether I would practice my profession continuously," she

recalls. "Together with my husband, we decided to try raising the two children with the help of an au-pair girl."

Commuting was another problem. While Mrs. Fuchs was working for I.G. Metall, the metalworkers union, in Hamburg, her husband took up a post in a Bonn ministry. Subsequently, Mrs. Fuchs was elected to the I.G. Metall executive board and moved to Frankfurt with the two children. "Certainly I was a token woman — there is always one woman on the executive board," Mrs. Fuchs concedes. "But I fulfilled my duties and after awhile that didn't matter. I didn't feel myself discriminated against as executive board member. That's the question — is it better to have none, or just one. It would be ideal to have several women on the board, but as long as it's only one it shouldn't be rejected."

In 1977, Labor Minister Herbert Ehrenburg asked her to become his state secretary. "I thought they were joking, because it's such a great responsibility," said Mrs. Fuchs, who was 39 at the time. She said it was hard to leave the I.G. Metall post, but "the responsibility attracted me. Here was a chance to do a lot for workers and the unions are happy to have one of their people in this job." Also, the move to Bonn meant reuniting the family.

Mrs. Fuchs believes the SPD still embodies the best interests of the workers (although she feels there are too many academics motivated only by intellectual commitment in the party). "The party has to realize that the classic worker has become a citizen, a burgher," she comments. The big issues are gone, she says. "We have to follow a trustworthy policy of small steps."

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A Banker's Assessment of an Expanding Chinese Market

(Continued from Page 33S)

very mature, hard-working and imaginative people who are very responsive to incentives and who like to accumulate personal property. You can see this in Hong Kong. The Chinese will work hard for their own profit.

So when they have an open-market economy and competition has been implemented, can they control it? What is the intention of the ruling political group? What do they really want or not want? Where are the limits?

I am not sure what the ruling class really wants. Are they really Communists? Look at their attitude about Taiwan.

In its history, China has been a united country with a central government only for very short periods. This has caused a number of linguistic problems. There are many different languages. Only Mandarin is understood everywhere but only by the small minority of the educated class. Of course, this has always been the case.

If you look at China, at its heterogeneity and its many conflicting forces, you can say that only a socialist economy can keep the country together. If they liberalize it, they probably won't be able to keep it together.

Q: Whatever the future may hold, the Chinese are now friendly toward foreigners, aren't they?

A: At the present time, there is extreme friendliness toward foreigners, particularly toward Americans. On the Democratic Wall in Beijing (Peking) you see such signs as "May the Chinese and American people live friendly for many years."

The Chinese are now very eager to import technology. The general euphoria is largely over. The Chinese recognize their limits. They do not want to go beyond their means. Their foreign-exchange reserves are limited. Their revenue for foreign exchange is limited and they can only go very slowly. Trade volume for 1978 was \$8.5 billion in imports and exports.

Seeing their limits, the Chinese place such a very strong emphasis on payback by products.

Q: Barter agreements?

A: No, this is not barter. They want to buy plants and deliver the products and thus pay back. A Western firm builds a coal mine and the Chinese pay for it from the



Officials of the Chinese Embassy in Bonn discussing trade exchange.

"There is no doubt that there will be an increase in trade with Western Europe, and Germany in particular."
Peter Reimpell



ment. They do not want expensive D-mark financing.

Q: Germany has a long history of trade with China, doesn't it?

A: Germany has always been high on the list in China trade. It is the third largest trading partner, after the Japanese and Hong Kong, which is a special case. German exports to China now amount to \$900 million and imports \$335 million.

German equipment was always highly appreciated there. The Chinese are still using German equipment from the last century. This is a very convincing point when talking with the Chinese about quality. The deterrent is the very expensive D-mark financing.

There is no doubt that there will be an increase in trade with Western Europe, and Germany in particular. But there is no reason for the general euphoria. Development will be slow but steady. The Chinese are very careful people. Of course, there is always the danger of an ideological backlash if things do not work out. But still, they will stick to their agreements. I must say I like them very much.

Q: Wasn't the Chinese invasion of Vietnam a shock for those who want to do business with China?

A: I was in Peking at the time and in my talks with high government officials I said: "We are very interested in cooperating with China not only for business but also for political and other reasons. The border war makes me feel very uncomfortable."

Why?

They explained why China had to attack Vietnam. First, it is quite obvious to them that Vietnam has shown large-scale madness, has a big head and has developed hegemonial attributes in Southeast Asia, especially on the Indochinese peninsula, and they — the Chinese — cannot tolerate this.

Secondly, they said, there have been constant violations of the border and they have to protect their population.

Therefore, they took this limited military action, in a limited geographical area, one that is also limited in time. They told me: "After having taught them a lesson, we will withdraw. You can be convinced we will not march on Hanoi. You can be sure we will withdraw, and we Chinese keep our word."

sales of the coal. That is why the Japanese will do very well trading with China. The Japanese have little coal and no oil. So I think the Chinese and Japanese will be most complementary trade partners.

The Chinese want to import technology and plant equipment.

For political reasons and to avoid any dependence on anyone — a great deterrent for them — they probably will import equal shares of capital goods from the United States, Japan and Western Europe. They have a very strong desire to stay on their feet as a political position directed against the Soviet Union and, second as a partnership without dependence.

There are always two leitmotifs for the Chinese: One, self reliance and, two, equality and mutual benefit.

The Chinese do not want barter

because then they would have to offer discounts. In the classic barter deal you import 10 tons of tomatoes and have to dump them on the market or you find no market. What you buy for 100 you sell for 95, so you tell the exporter of capital equipment to your barter partner

that you need to make 10 percent and take the proceeds for servicing the loan.

Q: And the actual business for German companies to date has been very limited, hasn't it?

A: Only Lurgi-Metallgesellschaft has actually been able to sign a

contract, five of them, in fact. All the others have only letters of intent.

The Chinese want dollar financing and we can't give it to them. They are very adamant. They want long-term loans at fixed rates. We are not subsidized by our govern-

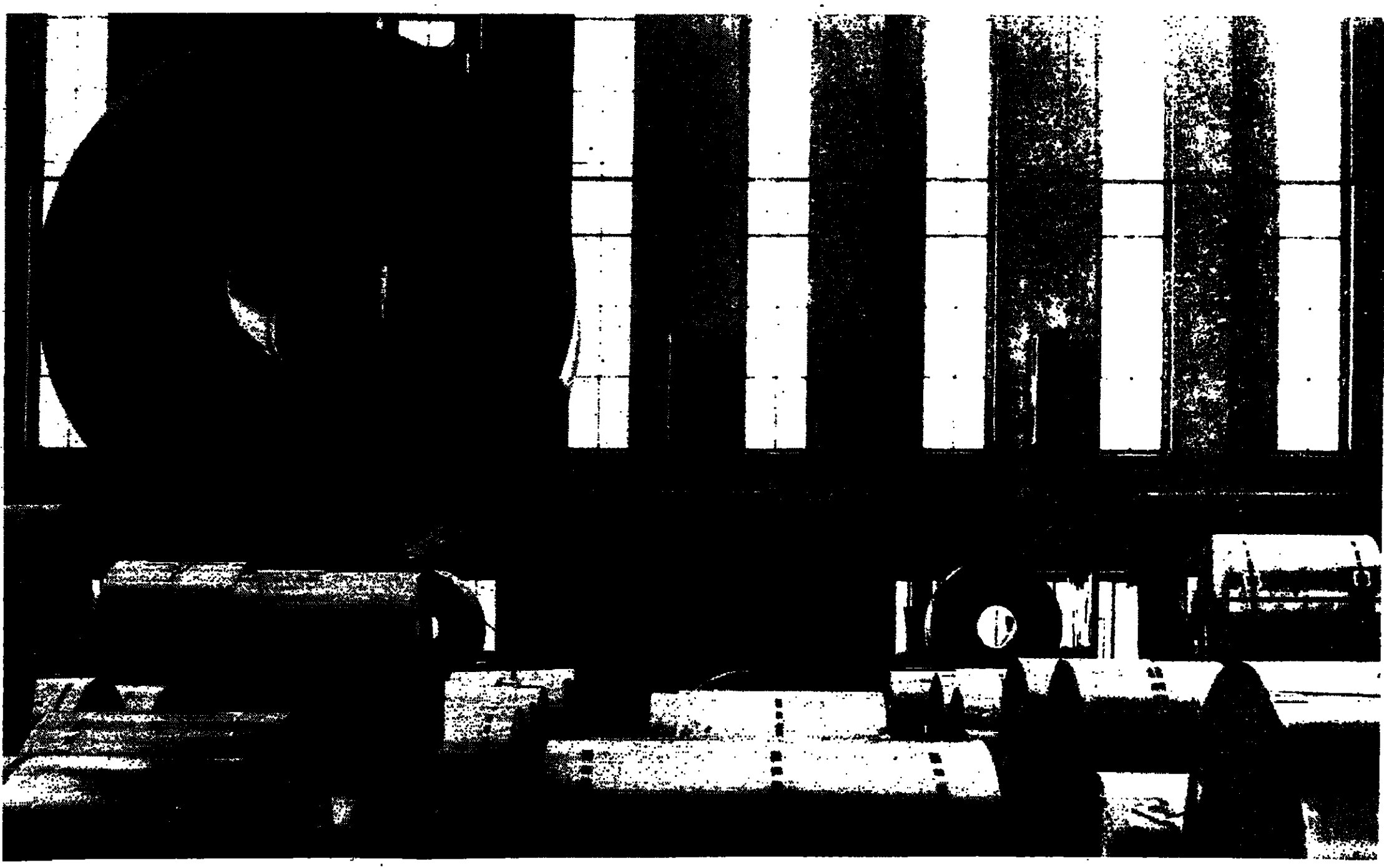
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Hamburg's Mayor Speaks Out Against 'Radicals Decree'

By Michael Getler

HAMBURG (WP) — The young and outspoken mayor of Hamburg, West Germany's largest city west of Berlin, is emerging as the central figure in a divisive national debate that is testing the dimensions of this country's post-war democracy.

The mayor is Hans-Ulrich Klose, 41, a liberal and controversial Social Democrat. The debate is over the so-called "radicals decree," a 1972 resolution adopted by federal and state governments in the wake of terrorist violence, a measure designed to keep extremists out of West Germany's vast system of public service jobs.

The fear in Germany at the time was that terrorists, once thwarted by the police, would begin what they called the "long march through the institutions" in an effort to subvert the system from within.

In the years since then, the decree and its haphazard application have left scars on many Germans, especially the young. The federal government virtually has dropped the decree as a discredited approach, but many of the states governed by the conservative opposition have not.

So the debate goes on, stirring deep divisions among those who feel the threat of subversion — especially of the school system by Communist teachers — is real and those, like Mr. Klose, who believe the cure is worse than the disease.

'Political Adversaries'

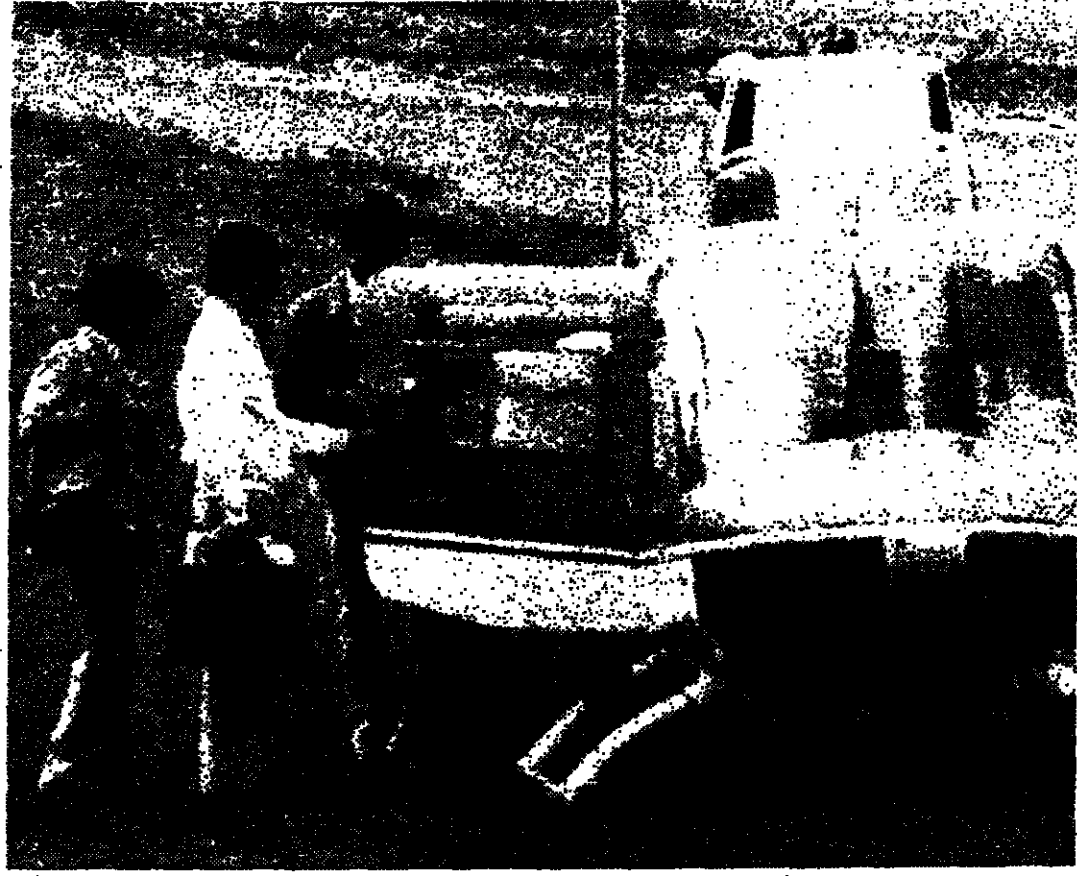
"I don't like extremists either," Mr. Klose said in an interview in his office here recently. "I consider them to be my political adversaries. Communists as well as neo-Nazis. But I think we are making a mistake when we try and solve the problem by means of administration. The struggle between democrats and nondemocrats must be a political struggle in the first instance. We must get used to the fact that a democracy must be a democracy even in the way it handles people who are nondemocratic."

Although official statistics have not been available since 1976, it is estimated that since 1972, 1.5 million Germans applying for public sector jobs have been investigated by the Federal Office for the Protection of the Constitution, the equivalent of the FBI.



Hamburg mayor, Hans Klose

Police photographed but could not capture these 3 suspects entering helicopter.



UPI

section of the Constitution, the equivalent of the FBI.

The catch has been meager, with about 1,000 to 2,000 applicants rejected because they failed to meet the test of loyalty to the constitution and to the "free democratic order."

The effect of these security screenings, the fear of stepping out of line politically or in student activities, has had a much broader impact, however, than the number rejected indicates, especially since the German federal and state civil service includes everything from garbage collectors to teachers and government officials.

"My experience in the last six years is that the procedure in handling the problem has gone out of control," Mr. Klose said. "It became too perfect, in the way that Germans are. When we do things, we do it in a perfect way, be it good or evil."

"It is a question of faith and legitimacy," he said. "When young people start to be afraid of the state and its mechanisms they get a feeling that everybody is under some kind of control. So they start to hold back when asked for their political opinion or convictions," a reluctance that produces conformity and opportunism, he said.

"In general elections, extremist parties of the left and right get between 1 and 3 percent of the national vote," he added. "Yet the whole country is running crazy because of this 1 to 3 percent, and my fear is that by handling the situation this way we will actually increase the number of potential voters for extremist parties."

Mr. Klose is not the only German politician to hold such views. Yet he is the most important one for several reasons.

For one thing, very few if any other front-line politicians here, in-

cluding Chancellor Helmut Schmidt, are personally confronting the issue, although the government and the ruling Social Democratic Party are clearly on record as favoring measures to liberalize the system significantly.

"Schmidt is the best chancellor we could have on financial and economic matters today," said a top Social Democratic Party political figure. "That is important because it is under severe economic strain that West Germany would be most vulnerable socially if things went bad, many here believe."

"And Schmidt has a feeling for social conflicts between trade unions and entrepreneurs. But he is not a man of internal politics and does not understand that emotional-moral questions are of great political importance too. He would never be a driving force on such an issue, although he now accepts the decision of the party on this issue," he said.

Mr. Klose, on the other hand, has fought a politically costly battle in the Hamburg parliament to prevent two school teachers with 12 years' experience from being fired because they are Communist Party members. He warned his party and countrymen in October that it was better to have 20 Communists in public service than 200,000 frightened and intimidated young people in the country.

Yet the most important thing about Mr. Klose may be his age. His biggest appeal is to younger people and he is well known nationally. Thus he is emerging as a future national leader who may have a built-in constituency to carry him and his view of German democracy well beyond the bustling city-state of Hamburg, with its 1.7 million inhabitants.

Although Mr. Klose favors doing away with the radicals decree, he is against giving civil service jobs to

"anybody who acts or speaks in precise and proven terms against the basic principles of our democratic order, people who advocate violence or who go into schools to convince students to act against democratic principles."

"You cannot work on the basis

of suspicion alone. Membership in a communist party, for example, is not sufficient proof" of such intentions of upheaval, Mr. Klose argues.

Yet virtually the entire conservative Christian Democrat and Christian Social Union parties, and in-

deed a number of Social Democrats, believe it is fundamentally contradictory to be a Communist and swear allegiance to West Germany's constitution.

In 1976, the federal government, and the states that are ruled by the same coalition adopted more lenient guidelines, putting more of the burden of proof on the state and claiming that membership in an extremist party by itself was not sufficient grounds for rejection.

In January, the federal government went an important step further, ruling that the routine security checks would be dropped and undertaken only when there are tangible indications that a candidate would not meet constitutional criteria. The move represented one more attempt by Bonn to provide national guidelines.

Yet that will not be the case. Opposition leader Helmut Kohl already characterized the new guidelines as "a capitulation" to the enemies of democracy. Three conservative-led states said they will not comply with the federal guidelines in their own hiring procedures, and two others may join them. West Germany's 10 states enjoy considerable autonomy.

"So the problem is not solved yet," Mr. Klose said. He said he believed, however, that if at least the Social Democrats in a few years are rid of the decree as an internal issue and the country "remains free" then perhaps the Christian Democrats will also reconsider their position.

"After all, why do we, the Germans, have such a big discussion on such a question?" he asked. "Why don't you, or the Swedes, or French, or Dutch, or Belgians. Why not?"

Rapid Changes in Energy Field

(Continued from Page 33S)

power on surfaced-mined soft coal (lignite), which was almost impossible to get at because of the heavy snow and frozen ground, and the country was forced to make a special deal with West Germany to import the fuel. By early March, East Germany was reported to have contracted for about \$16.1 million in coal from West Germany.

At the same time, this sale called

attention to the potential value of the "mountains" of unused coal in West Germany.

If West German power stations had to cut off even some of their supplies on Jan. 8, which customers would have suffered? That question seems never to have been answered. And, as Munich's Sueddeutscher Zeitung pointed out, "there is apparently no court of last resort that has the authority to make the decision in such a case. Competent heads must give some thought to this if the power-plant situation continues as in recent years."

Energy, Economy

For a view of the German energy situation before the dramatic events of the first few months of this year, one can consult a study on consumption in 1978 prepared by economists at the Commerzbank in Frankfurt and issued in February. The report noted: "Last year produced further evidence of the close relationship of energy consumption to economic activity. The upswing was accompanied by a 3.9-percent climb in the demand for primary energy, to the equivalent of 387 million tons of coal, which thereby exceeded the previous peak level, recorded in 1973. At the same time, electricity consumption rose 4.6 percent."

"Apart from the revival of energy-intensive industries concerned with the production of raw materials and semi-manufactures, a prolonged period of cold weather gave a fillip to total energy consumption. In the current year, a rise of similar magnitude is expected."

In 1978, the Commerzbank report noted, oil remained "by far the biggest source of primary energy." It accounted for 52.5 percent of primary energy consumption in West Germany, and increased in volume by 4.7 percent. The total amount of oil used, however, amounted to the equivalent of 203 million tons of coal, less than the record of 209 million tons set in 1973, the year of the oil crisis.

The increase for last year was attributed to below-average temperatures in the last spring and early summer, which resulted in a climb in light fuel oil sales by 7 percent to more than 50 million tons for the first time since 1973. The continuing car boom in this country sent gasoline sales up 5.5 percent.

Prices

Mr. Lambsdorff may soon have a chance to see whether one important market factor — price — can reduce fuel consumption. The pump price of super gasoline will exceed 1 Deutsche mark per liter before the end of this year, Hermann-Josef Russe, a member of the board of directors of Veba, said in early April. (In March, Mr. Lambsdorff overruled the German Cartel Office and allowed an exchange of interests between Deutsche BP and Veba, a diversified 44-percent state-owned group and the biggest corporation in West Germany. The arrangement includes a provision for the BP group to supply Veba 3 million metric tons of crude oil a year, at current market prices, up to the year 2000.)

Mr. Russe attributed the coming price increase to the decline of oil shipments and the new rates announced by the Organization of Petroleum Exporting Countries.

German commentators tended to smile at the earlier warning by U.S. Energy Secretary James Schlesinger that the gasoline pump price

in the United States could reach \$1.41 a DM per liter, the cost for gasoline in West Germany would amount to nearly \$2 a gallon.

Turning to the subject of natural gas consumption in this country, the Commerzbank noted that its use in West Germany showed the biggest percentage increase, up 8.2 percent over 1977, and thereby accounting for 15.4 percent of energy consumption and ranking third in importance after oil and bituminous coal. West Germany plans to step up its own natural gas production, which now accounts for about two-fifths of consumption, the report stated. Natural gas is also imported from Algeria, the Netherlands, Norway and the Soviet Union. Iran has also been one of the major suppliers. However, long-term contracts (for 20 to 25 years) have been made for supplies from Western Europe, which by 1985 will provide three-quarters of West Germany's natural gas.

Coal

There was a slight increase in coal consumption last year, the bank report said. Bituminous coal, Germany's second major source of energy (17.7 percent last year), soft coal declined slightly in percentage of primary energy sources, from 9.4 to 9.1 percent (actual volume was unchanged), and the volume of hard coal rose 2.3 percent.

The rise in bituminous (hard coal) consumption was "mainly due to a further 6-percent rise in steel production and to the much greater use of coal-firing systems for electricity generation." Nevertheless, production had to be cut back by a further 1.2 percent to 83.5 million tons, the bank noted. "At the end of the year, pithead stocks of coal and coke totaled 18.7 million tons, excluding the national coal reserve of 10 million tons."

Electricity generated by German nuclear power stations declined last year by almost 1 percent from 1977, with the share of primary energy sources going from 3.2 to 3 percent. At the end of 1978, 10 nuclear plants had a total capacity of 8,671 mw.

Will those nuclear plants be operating at the end of 1979?

It is "conceivable" that West Germany will decide to do without nuclear energy, Interior Minister Gerhart Baum said shortly before departing for the Common Market conference on the environment in early April. But "at the time," Mr. Baum added, he saw no need to close down nuclear plants because of the Harrisburg accident and warned against making "overly quick and hasty decisions." What happened at Harrisburg has not made him an opponent of nuclear energy, he said.

The interior minister does not seem to share the enthusiasm for nuclear energy of fellow cabinet member Mr. Lambsdorff. Both are also members of the Free Democratic Party, the minority member of the Bonn coalition and a party sharply divided on the nuclear power issue.

Mr. Baum, who is responsible for the safety of the reactors in West Germany, said he has ordered a re-examination of the security of nuclear plants in this country. Energy industry officials have said that because of construction differences and more preventive measures taken against the likelihood of human error, German-built nuclear plants could not have the same kind of accident as occurred near Harrisburg.

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Firm	Umsatz in Mill. DM		Beschäftigte in 1000	
	1977	1978	1977	1978
Industrieunternehmen				
1. Volkswagen	27,389	27,229	66.5	67.1
2. Siemens	25,194	20,878	319.0	304.0
3. Daimler	24,723	22,482	169.2	160.8
4. Volkswagenwerk	24,152	21,423	181.9	183.2
5. Hoechst	23,298	23,485	180.9	183.0
6. BASF	23,181	23,157	113.8	112.7
7. Bayer	21,383	20,880	170.4	171.2
8. Thyssen	21,021	21,490	142.5	147.8
9. AEG Telefunken	14,286	14,488	158.4	161.9
10. Kfz-Konzern	14,132	13,531	73.7	67.0
11. Bosch	12,195	12,462	4.7	4.8
12. Gutehoffnungshütte	12,065	11,073	84.9	85.8
13. BMW	11,871	11,458	57.8	58.3
14. Deutsche Shell	11,754	12,123	108.7	108.7
15. Mannesmann	11,714	11,798	105.8	108.7
16. Kupp	11,180	9,734	86.4	78.2
17. Ruhrkohle	10,974	12,340	143.3	147.5
18. Hoeft	10,183	8,857	56.3	52.4
19. Opel	9,167	8,804	58.7	56.4
20. Bosch	9,100	8,319	110.5	108.8
21. Deutsche BP	8,863	8,158	4.3	4.5
22. Quandt Gruppe	8,300	7,400		
23. Metallgesellschaft	7,800	6,839		
24. Deutsche Unilever	7,381	6,722	34.9	34.7
25. Elek. Gruppe	6,881	5,980	46.9	46.9
26. Saenger	6,419	6,724	32.3	34.1
27. IBM	6,381	5,980	25.1	24.2
28. Bosch Werke	6,230	6,145	46.5	49.8
29. Beiersdorf	6,182	6,282	14.2	16.8
30. Deutsche Teleco	5,871	5,788	5.7	5.9
31. Henkel Gruppe	5,383	5,102	34.2	32.4
32. Mobil Oil in Deutschland	5,025	4,908	2.4	2.4
33. Ruhrgas	4,707	4,008		
34. Dr. Ing. h. P. Bosch	4,655	4,253		
35. Deutsche Philips	4,026	3,805	31.0	33.0
36. B. A. T.	3,877	3,578	3.9	4.0
37. Brown Boveri	3,828	3,442	36.7	37.0
38. Reichelt	3,813	2,850	28.5	28.1
39. Vag	3,512	3,558	22.5	21.7
40. Saarberg Gruppe	3,446	3,008	29.1	28.2
41. Holmann	3,324	3,838	28.3	25.0
42. Enka-Glanzstoff	3,200	3,609	36.4	41.0
43. Deutsche Babcock	2,981	3,258	25.9	27.4
44. Dr. Saint Gobain Gruppe	2,950	2,800		
45. Alker	2,874	2,889	14.2	14.8
46. VAW	2,815	2,734	7.0	6.9
47. Gerdag	2,755	2,514	39.0	33.1
48. Huls	2,738	2,688	16.2	16.2
49. SKI	2,735	2,698	32.8	33.4
50. Brückmann	2,717	2,678	4.8	4.7
Industrieunternehmen				
51. Preussag	2,819	2,875	17.8	17.8
52. Deutsche Neut	2,508	2,346	13.0	
53. Bilfinger + Berger	2,307	1,910		
54. Wehrhahn Gruppe	2,298	2,181		
55. Boehringer Ingelheim	2,285	2,214	20.4	19.4
56. Deutsche Solvay Gruppe	2,159	1,877		
57. Schering	2,133	1,988	18.1	18.0
58. Bosch Siemens Hausgeräte	2,092	1,925		
59. Rütgers	2,004	2,152		
60. Conti Gummi	1,954	1,865		
61. ZF Kumpen	1,903	1,789	19.8	19.1
62. Magirus Deutz	1,858	2,010	12.7	13.2
63. Bayernwerk	1,822	1,453		
64. Freudenberg	1,821	1,712	22.7	22.3
65. Elf Mineralöl	1,813	1,812		
66. Zeiss	1,812	1,898	28.2	26.1
67. Strabag	1,809	1,826	18.5	17.8
68. Messerschmitt Bolkow Blohm	1,801	1,635	20.7	20.1
69. Kugelfischer	1,786	1,748		
70. Stahlwerke Roehling Burbach	1,750	1,911		
71. Dyckerhoff & Widmann	1,687	1,618	15.4	15.1
72. ITT Ges. für Beteiligungen	1,672	1,508	14.3	14.0
73. Deutsche Werke	1,667	1,554		
74. Roehling-Gruppe	1,664	1,611	10.2	10.3
75. VFW Fokker	1,662	1,701	17.5	18.5
76. Deutsche Marathon	1,620	1,650		
77. Beton und Monierbau	1,610	1,270		
78. Melitta-Werke	1,600	1,300		
79. Sachs-Gruppe	1,582	1,415	17.6	17.1
80. Deutsche Michelin	1,548	1,461		
81. Norddeutsche Affinerie	1,543	1,548		
82. PWA	1,535	1,534		
83. Korf-Gruppe	1,522	1,587		
84. HEW	1,517	1,408		
85. Merck	1,474	1,427		
86. Dillinger Hütte	1,468	1,499	5.5	5.7
87. Liebherr-Gruppe	1,418	1,148	10.3	9.5
88. Techo	1,400			
89. EVS	1,398	1,334		
90. Bauknecht	1,380	1,245		
91. Beiersdorf	1,327	1,198		
92. Deutsche Contig	1,300	1,235		
93. Wacker	1,300	1,280		
94. Erdölchemie Köln	1,294	1,147		
95. Eschweiler Bergwerksverein	1,280	1,284		
96. Chevron Erdöl Deutschland	1,276	1,281	0.3	0.3
97. Schmalbach-Lubeca	1,271	1,247	10.0	11.1
98. Badener	1,243	1,222	3.3	3.2
99. Dehl-Gruppe	1,228	1,100	13.2	12.8
100. Howaldtwerke - Dr. Werft	1,215	1,279	13.8	14.5

Frankfurter Allgemeine Zeitung September 1978

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State Subsidies Keep West Berlin's Culture Alive and Well

By Paul Moor

BERLIN (IHT) — The longer one lives in Berlin — in West Berlin — the oftener one hears the word "subsidy." For years now, keeping West Berlin viable in spite of its isolation, completely surrounded by East Germany and also walled in, has held first place on the agenda of all those responsible for the city's future: the municipal and federal governments and, of course, the allies of World War II (even 35 years after that war, Berlin remains an occupied city).

As a result, we live here in a sort of limbo, culturally as well as politically. To get the almost numbing statistics out of the way right at the beginning, West Berlin, which with a population of 2 million remains the largest West German city, has:

- Five symphony orchestras, one of the world's best opera and a new theater devoted to opera and musicals.
- Twenty dramatic theaters.
- More than 50 state and private museums.
- An equivalent of Washington's Library of Congress.
- The state archives.
- Seven separate festivals of the arts.
- Five state palaces.
- The Academy of the Arts.
- The Institute of the Arts.
- The German Film and Television Academy.
- The State Institute for Musical Research.

• The Berlin artists' program, which brings top-flight creative figures in the arts from all over the world to spend up to a year living and working in Berlin.

- The International Institute for Comparative Music Studies and Documentation.
- The Kuensterhaus Bethanien. A former hospital converted into an immense beehive of the most varied artistic creation and presentation, the bulk of it avant-garde.
- Two municipally supported art associations.

And the orchestral academy of the Berlin Philharmonic, training young musicians for orchestral posts.

Not to mention numerous musical ensembles, private groups performing theater, pantomime and ballet. Film and video groups, about 80 private art galleries, municipal art associations in each of the 12 boroughs, the International Design Center, etc.

Subsidies

What makes all that possible in a city this size? Government subsidies amounting annually to about \$222 million.

Annually the opera alone gets \$25 million (85 percent of its total budget). The Berlin Philharmonic more than \$7 million, the three municipal dramatic theaters almost \$13 million. About \$9 million subsidize private theaters; half of that goes to the Schaubühne, today probably German-speaking Europe's leading company. Almost \$7 million subsidize the various festivals.

Some American supporters of the arts, accustomed to beg and plead for money, read such figures and break down and cry. Private — as opposed to government — contributions to all that panoply of cultural riches play such a minor part that Peter Nestler, who directs the Berlin Senate's arts division, dismisses them airily as "irrelevant."

West Berlin has certainly not always had it so good. Until the end of the '50s, East Berlin reeled in immense international cultural prestige due to large measure, to two geniuses of undisputed stature: The poet, dramatist and director Bertolt Brecht, who had his own repertory company, the world famous Berliner Ensemble, to present his plays exactly as he wanted; and Walter Felsenstein, the founder and, until his death, director of the Komische Opera, which still occupies a niche all its own when it comes to opera performed with equal attention to both its dramatic and musical aspects.

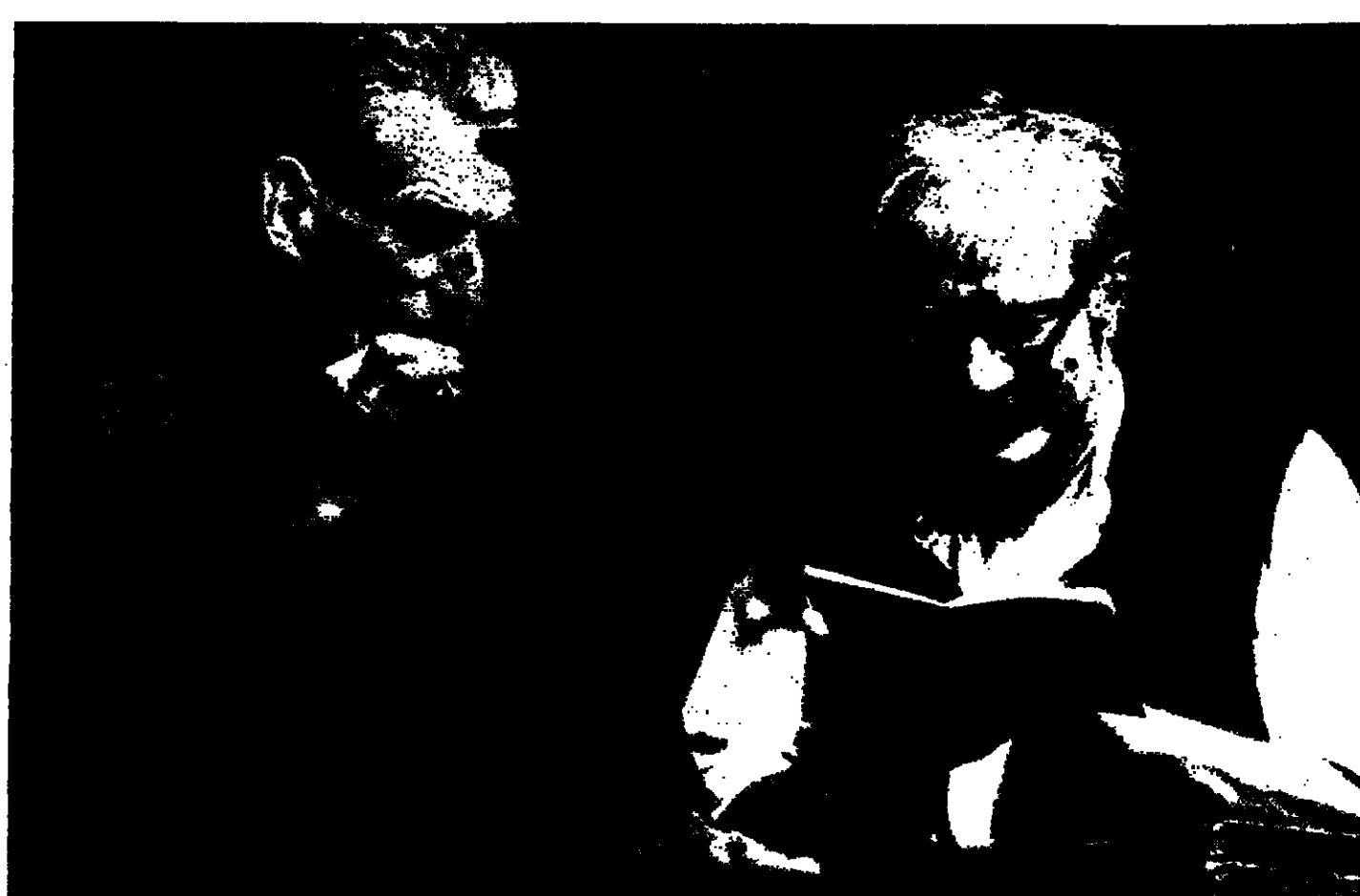
The wall did not split Berlin until 1961, but as early as 1948 the Soviet blockade of the city's three Western sectors in effect already divided the former capital. From then on, West Berlin's cultural life assumed



Bustling downtown Berlin

Samuel Beckett talks with German actor Martin Held at rehearsal in Berlin.

Rosemarie Clausen



added political importance. East Germans could visit West Berlin without hindrance, and what they found here took on the importance of a microcosmic show window for the West in general.

During that period, however, what with repeated Talmudications from Moscow Premier Nikita Khrushchev summed them up when he called West Berlin "a bone in my throat" — the by-no-means-secure future of West Berlin made it inexpedient to draft long-range cultural plans and investments. The turning point did not come until only seven years ago, with the Four Power Agreement on Berlin signed by the major allies of World War II, Britain, France, the Soviet Union and the United States.

Especially since then, the cultural life and opportunities in West Berlin have proliferated to place it back on a level with Paris and London. The Berlin Philharmonic has, in all the world, no superior and few peers; many experts consider it the greatest in the world today. Under his lifetime chief conductor, Herbert von Karajan, it has represented Berlin in numerous far-flung points, and here at home, as well as at the Easter and summer festivals in Salzburg. It offers a rich season featuring the leading guest conductors and soloists of the entire world, East as well as West. In the foreseeable future, its home, the superb Philharmonie designed by Hans Scharoun, the greatest Berlin Architect of recent decades, will acquire a chamber-music hall; also designed by Mr. Scharoun before his death.

Berlin's RSO at present has no chief conductor. Erich Leinsdorf, who had actually signed a contract to succeed Lorin Maazel when he left to take over the Cleveland Orchestra, had to withdraw. The RSO has its own concert series in the Philharmonie, and it has earned especial distinction in contemporary music. Berlin's third orchestra, the Symphony Orchestra of Berlin, has risen to new distinction in recent years under its American conductor, Theodore Bloomfield, although one has difficulty getting used to hearing Berliners refer to it as "das S.O.B."

Avant-Garde

Siegfried Palm, known throughout the world as an outstanding cellist and an ardent champion of such avant-garde composers as Mauricio Kagel, György Ligeti, Krzysztof Penderecki and Karlheinz Stockhausen, also heads the Deutsche Oper Berlin. Its ensemble of singers includes many of the greatest in the world, with a slightly special niche for one hometown boy who made very good indeed, the baritone Dietrich Fischer-Dieskau.

West Berlin's three municipal dramatic theaters — the large Schiller, the more intimate Schlosspark and the small, experimental Workshop — draw their casts from the same acting ensemble, one of the most gifted and distinguished in Europe. The Nobel laureate Samuel Beckett has a special fondness for this company and has staged several of his plays with it. The Schaubühne at present offers its controversial but almost unfailingly brilliant productions in various makeshift quarters until it can move into a permanent home, currently under renovation to the company's explicit specifications, in one of the Kurfürstendamm's architecturally most distinguished buildings.

This company, incidentally, provides an example of Berlin's traditional liberality of the spirit, which goes back for decades and rose again after the 12-year Nazi interruption. The company, although not its repertory, openly espouses a Marxist-Leninist political line with Maoist overtones, and it eschews a single director in favor of collective

leadership with Peter Stein, certainly one of the most gifted directors in the world today, as primus inter pares.

The Berlin artists' program, financed originally by the Ford Foundation after the wall went up and subsequently taken over by the German Academic Exchange Service, invites creative artists from all over the world, including the Soviet Union, to spend up to a year in West Berlin with absolutely no strings attached. Some of them — for instance, two leading figures in contemporary American art, the sculptor George Rickey and the concept-artist Edward Kienholz — have found Berlin so sympathetic that they continue to maintain studio-apartments here and return to spend part of every year.

The artists annually selected and invited by a jury of experts represent some of the far reaches of today's international avant-garde.

West Berlin's present cultural policy stems from the intelligence, imagination and hard, dedicated work of Mr. Nestler, whose municipal superior, Dieter Saubert, concentrates on five points: abso-

lutely top quality in West Berlin's theatrical, musical, literary, exhibition and museum activities; strong backing for resident artists; bringing the city's cultural opportunities and benefits to the Berliners, including young people and children; constant contact with other contemporary cultural centers; and exporting local cultural production of all varieties throughout the world.

On almost any day or night of the year, the culturally minded Berliner or visitor can choose from almost an embarrassment of riches. With seven full-scale, top-level festivals — film, art, theater, Third World culture (this summer: Africa), the largely outdoor summer festival (one antic guest conductor: Edward Heath), the major Berlin Festival Weeks in the early autumn and then jazz — it has become almost harder today to catch Berlin out of a festival atmosphere than in one.

An iron lung? Indeed, but one equipped with cultural comforts any metropolis in the world might envy.

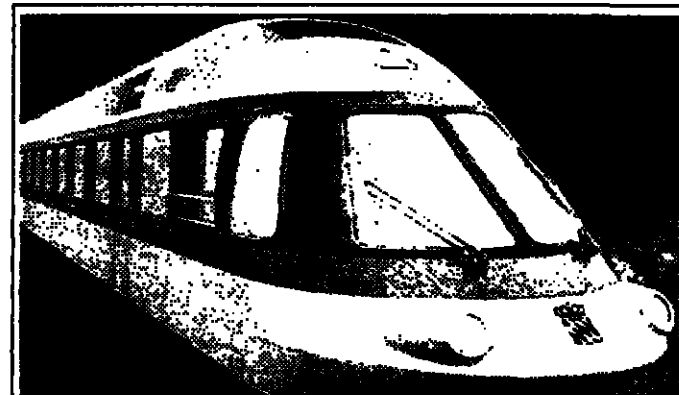
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Herbert von Karajan



New Cinema Directors Earn Global Fame But Little Money

By Hazel Guild

FRANKFURT (IHT) — A petite brunette film-maker, with Shirley Temple locks dangling, accosted me at a cocktail party in Berlin to discuss the plight of the German film industry.

Reciting her tale of woe, she explained that she had received an initial \$3,000 grant from the German Film Subsidy Office because of her outstanding script. Unable to obtain more German grants to make the film, she borrowed from her mother and all her friends.

The film ended up as a 16mm venture, just 60 minutes long, and thus unsuitable for cinema release. She sold it to German television and figures that she has earned about \$600 for her year's work. Undaunted, she has created another script and is on the trail of

West German government subsidies or city handouts from Berlin or Munich to finance her next picture. She is 25 years old — and thus one of the young, young German film-makers — as distinguished from the New German Cinema group, now in their late 30s and early 40s.

Films of the New German Cinema, headed by the Werner Herzog, Rainer Werner Fassbinder and Wim Wenders — you can get into an argument with everyone in the film business in Germany about who rates first — are making waves of publicity around the world, with awards and citations at international film festivals in the United States, France and Germany. But their films, unfortunately, do not make much money.

Second Point

First, one must realize there are no sexpots in the current German cinema productions. Once one accepts that fact — the difficulty probably depending on one's own sex and attitude toward feminists — one comes to the second point. The stars are not the allure of the films; the directors, producers and writers are. (In fact, all three may turn out to be the same person. Mr. Fassbinder, the most prolific of the New German Cinema-ers, modestly credits himself with "idea, book, settings, cutting, camera, direction" for his new film "In a Year With 13 Moons.")

Now, after nearly two decades of uncertain existence, the New German Cinema is scoring its most important victories at the box office.

Last year, the most profitable film in the native German cinemas (now around 3,000 houses) by a young German film-maker was Hark Bohm's "Moritz, Dear Moritz," the sensitive story of a troubled 15-year-old plagued with problems because of his father's bankruptcy, his beloved grandmother's serious illness, his hate for his unsympathetic math teacher, his desire to play in a jazz band — all subjects with which youngsters of today in West Germany and many another country can identify.

Of all the films granted subsidies last year by the German Film Subsidy Office, "Moritz" was the only one that managed to recover all of its costs at the German box office.

Ivory Tower

"Some of the German film-makers have been living in an ivory tower, trying to make artistic films for themselves and their friends," Mr. Bohm told me in his Munich home. (He sleeps during the day and does his creative work at night, meaning he cannot be disturbed before 7 P.M.)

"Now the German film-makers are getting enough self-confidence to crack the international market. It was very hard at first." He cited his own career, with his initial full-length film "Tschetan, the Indian Youth" capturing the film prize of the year from the Working Association of German Film Journalists and a prize at the Locarno Film Festival. But nobody went to see it, and it flopped at the box office.

West German TV aided with part of the financing for his next full-length picture "Nordsee ist Mordsee" ("North Sea is Murder Sea"), and the film was a modest success.



Rainer Werner Fassbinder (right) directs 'The Marriage of Maria Braun.'

"Moritz" was Mr. Bohm's first U.S. release. He feels the reason for its success is that he has concentrated on adolescent problems, not too difficult for him at 39 because he has two adopted teen-age sons, one from Mongolia (who appeared in a brilliant bit in "Moritz") and the son of a Hamburg working-class family.

"I think of stories to tell my kids," Mr. Bohm remarked. "Teen-agers and the 20s age group in West Germany, as in America and France, represent by far the largest segment of the cinema audiences, and his films are definitely aimed at them. He is now working on 'In the Heart of the Hurricane,' to be filmed this summer, for the youth audience."

"We haven't yet succeeded in introducing our films to the commercial U.S. market. But that will be the next step," he asserted. His initial film about the Indian lad appeared in a German film week at the Massachusetts Institute of Technology, and a professor wrote commenting on how popular the film was with the young people who appreciated his showing the basic conflict of adolescents in industrial countries. The film made the rounds of festivals and German film weeks where the critics praised it — but it never received major playing dates in the U.S.

One who has made the break — and moved himself instead of his films to the United States — is Wim Wenders, currently in San Francisco writing "Hammett" for Orion to release, working with U.S. producer Francis Coppola.

(Mr. Wenders has become such a cult figure in the United States that he has achieved the ultimate — a hamburger shop has been named after him, serving "Wimburgers," and the San Francisco foreign-film fans gather there to chat with him.)

His German credits included "The American Friends," which enthralled and bewildered many and which the critics loved, and "Kings of the Road," popular with the art-house crowd in major German cities. But it never earned its costs.

Werner Herzog has just wound up "Nosferatu," a remake of the F.W. Murnau thriller, for the Dracula fans. It's a German-French-U.S. co-production with backing from 20th Century-Fox, which

could be an added help in seeking U.S. release.

As with some other German films, this is one that is doing better business outside the country than in its own land. "Nosferatu" has pulled in 264,900 visitors in Paris and the suburbs, with 15 prints in circulation in its initial six weeks.

Mr. Fassbinder, last of the trio of New German Cinema leaders, is filming Alfred Döblin's "Berlin Alexanderplatz," which will be both a 13-part series for West German TV and a full-length feature for the cinemas, a remake of the famous 1930 film. His previous "Despair," based on the Nabokov novel, played to critical acclaim at the Cannes and New York Film festivals but lived up to its name at the box office. Another Fassbinder production, "In a Year With 13 Moons," concerning the miseries of a transvestite who feels cast out by the world, is another darling of the critics.

Currently popular in the German cinemas is Reinhard Hauff's "Knife in the Head," a spellbinding about terrorism and the problems of the angry young intellectuals. Winner of two critics' awards, this is also a hit with the audiences and seems slated for profitable sales outside Germany designed for mass audiences.

German films have survived several "waves" since World War II. First came the corny "Heimat" (homeland) films, then a couple of outstanding war themes such as Bernhard Wicki's "The Bridge" and the military comedy "08-15," a designation for a rifle, used in the same connotation as GI.

Next came the German sex explanation films, pushed up at the box office with money-makers by Oswald Kille's group, "Your Wife, the Unknown Creature," "Your Husband, the Unknown Creature," and "Your Child."

The French had to learn about eroticism from the Germans, noted Theo Hinz, the aggressive young general manager of the Filmverlag der Autoren (Film Distribution of the Authors).

Filmverlag was formed in 1962 when the young German writers, producers and directors felt that the other distributors were not sufficiently sensitive to their products and that their own organization

could do a better job introducing their artistic efforts.

Movie attendance slumped disastrously in West Germany from the 1956 high of 818 million seats sold down to the absolute low point of 115 million visitors in 1976. But since then it has been recovering. And the New German Cinema has been recovering along with the recent cinema boom.

New German Cinema pushed the slogan "Papa's Cinema is Dead," and aided with generous subsidies from the German Film Subsidy Project, the enterprising young film-makers started turning out products hoping to gain a mass audience.

"Our films are not disappointing in Western Europe," commented Mr. Hinz. He emphasized that cracking the U.S. commercial market is the next goal.

Right now, there's reason to be optimistic. Peter Lilienthal's "David," based on the true story of a Jewish boy surviving during the Nazi era, just won the Golden Bear, top citation at the West German Film Festival in March in Berlin. It marked the first time in 23 years that a German film had been selected for the grand prize by the international jury.

"Nosferatu" won the Silver Bear for its sets, while Mr. Fassbinder's "The Marriage of Maria Braun," about a German woman whose husband is missing in war and then returns, picked up two Silver Bears. Distributed in West Germany and Austria by a major U.S. firm, United Artists, it is achieving remarkable success at the German box office.

Berlin Aid

Right now, there are millions of dollars of film production money available from the city of Berlin — which wants to become the great film center that it was during the pre-war UFA era — and from Munich, where the Bavarians want to re-create past film glories at the well-equipped German production center.

In Frankfurt, city cultural adviser Hilmar Hoffmann, who set up the country's first Communal Cinema in 1971 to show German and international classics and series from China, Cuba, Albania and Bulgaria, has now pushed ahead

plans for an ambitious German Film Museum, with several thousand old films, film memorabilia like posters and costumes and old theater equipment. And with a small screening room. And at the city's Goethe University, a chair for film-making and film techniques has been opened with another of the New German Cinema group, 48-year-old Alexander Kluge, as one of the professors.

Owners of ugly barnlike first-run houses have followed the trend of France and America, cutting their big theaters into two or three houses, and moviegoing in Germany has become fashionable with the young again. Last year, there were 134 million tickets sold, and this year promises to be even better.

Germany's Goethe Institute, part of the country's prestigious Foreign Office, is coming up with a multimillion-dollar push for the German films, buying rights for non-commercial showings in 16mm versions, and promoting the New German Cinema with audiences around the world. It has even paid for some of the directors to attend the showings and to meet the foreign press.

And, added Dr. Rudolf Goldschmidt, former head of Republic Films in Germany and now adviser for Inter-Nations, a branch of the West German Foreign Office, the German government has just granted about \$78,000 to purchase five additional German films for exploitation at film weeks abroad, including "Knife in the Head," which stars Bruno Ganz, probably the best German film actor of the current crop.

'Creative Stirring'

The big push is now on for the New German Cinema. Jack Valenti, president of the Motion Picture Association of America, summed it all up recently in Berlin, when he remarked, "Now there appears to be great pulsing creative stirring in Germany. For the first time in decades, what new young German film-makers are saying and more specifically the ways their cinematic voices are being heard in America are having considerable influence on the young film-makers of the United States."

He cited the impact of Herzog, Fassbinder and Wenders as can figures in the United States, along with Kluge and Volker Schlöndorff, whose 1966 film "Young Törless" started the new German film renaissance, along with Jean-Marie Straub and Hauff.

"I am aware that commercial cinema has had some difficult days. But I am convinced this will change. The new German cinema talent that I have described should become a key element in that rise. I can assure you that nothing will be more heartening to me and my colleagues in the American cinema than a strong vibrant German commercial film world," Mr. Valenti concluded.

Germans are hitting on sensitive themes that touch the hearts and minds of the moviegoing audiences. And now that they are appealing to the critics and in the art houses, the time is perhaps ripe for some major synchronizing in English and promoting the films around the world so that the masses will be able to enjoy what so far have been available mainly for the "in" art-house patrons.

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Deutsches Museum: 26 Miles of Science, Technology

By Harry Trimborn

MUNICH — One of West Germany's most popular indoor pastimes — especially on rainy weekend afternoons — is museum trekking. The largest and most popular of the country's 800 museums is a complex of buildings squeezed onto a slender island in the Isar River in the heart of Munich.

This is the home of the Deutsches Museum, one of the world's biggest science and technology museums, Germany's answer to the Smithsonian Institution.

A special feature is that exhibits, which range from Neolithic hachets and ancient Egyptian tools to space satellites, are placed in their historical context, depicting the cultural impact that the items on display had on the societies that developed them.

It is also noted for pioneering the concept of push-button displays that enable the visitor to observe the functions of half the exhibits by activating buttons, levers and electronic equipment.

The visitor can test his or her flying skill through a simplified flight simulator. In the mockup of a ship's bridge, the visitor can try steering a ship with an 800-ton cargo through the Kiel Canal.

Red Wheels

All the displays are in working order, Stephan Dietrich, an industrial engineer who is one of the museum's 400 staff members, said. Those that cannot be operated by visitors — like the huge, especially-mounted locomotive whose big red wheels are activated by electricity — are usually demonstrated by staff members.

All of the antique cars, painstakingly restored in the museum's workshops, are in driving condition. One of them, an antique Mercedes Benz touring car, was driven to a motor show in Hamburg after the truck that had been carrying it broke down.

The museum has 40,000 square yards of exhibit space on seven floors. A visitor who wanted to visit every exhibit would travel 26 miles, and foot vibrations have been installed on each floor to ease the ordeal of the long trek through the halls.

The museum staff estimates that, under a 40-hour, five-day week, it



This building houses the Deutsches Museum on an island in the Isar River in Munich.

would take 18 months for the visitor to read the texts and operate the displays at each of the exhibits.

Such formidable challenges have not diminished the museum's popularity. It receives about 1.5 million visitors annually, a third of them from foreign countries.

About 90,000 of the visitors are schoolchildren from throughout Europe. The number of students is too big for the museum staff to

handle, so it provides a one-week museum-guide training program for teachers, who then return to their home school districts and train other teachers as guides for field trips to the museum.

Locked Away

The exhibits on display represent only a fraction of the museum's collection. Another 70,000 items are locked away, for lack of

exhibit space, in the museum's cellars and in warehouses in other parts of the city.

The pride of the collection is the famous Magdeburg Hemispheres, made in 1654 for Magdeburg mayor and philosopher, Otto von Guericke, to demonstrate the force of atmospheric pressure. A vacuum was created by pumping out the air from the sphere formed by the two hollow hemispheres. A famous en-

graving shows two powerful draft horses struggling to pull apart the hemispheres held together by atmospheric pressure.

Because of the museum staff's wish to have visitors touch and handle many of the exhibits, the hemispheres, along with von Guericke's air pump, are displayed only in replica. The real equipment is kept in storage.

Among other items on display

are a glider built in 1895 by Otto Lilienthal; one of the Wright Brothers' planes, built in 1909; the world's first automobile, built in 1866 by Otto Benz; the first electric locomotive; the first dynamo; and the first lunar jeep used by American astronauts on the moon.

The desk of Wilhelm Conrad Roentgen is on display, along with his first X-ray, which he took of his fiancée's hand in 1895.

Salt Mine

The basement contains full-scale replicas of salt, iron and coal mines. And the museum is topped by a planetarium and observatory.

Elsewhere, there are such diverse displays as telecommunications equipment and a full-size 19th-century alpine chalet. There are fully equipped replicas of workshops used in the early days of the industrial revolution and a full-scale section of the Munich subway tunnel.

Several of the largest exhibits are on display on the museum grounds. These include a 19th-century Dutch windmill and an experimental twin-engine vertical takeoff plane.

For scholars, there is a 600,000-volume library, which contains 16,000 manuscripts by famous scientists. It also contains original plans, sketches and engravings of German and foreign industrial pioneers.

The museum was founded in 1903 by Oskar von Miller, a Bavarian electrical engineer who sought to popularize scientific and technological progress under the then widely held view that such progress could sweep away much of the world's ills.

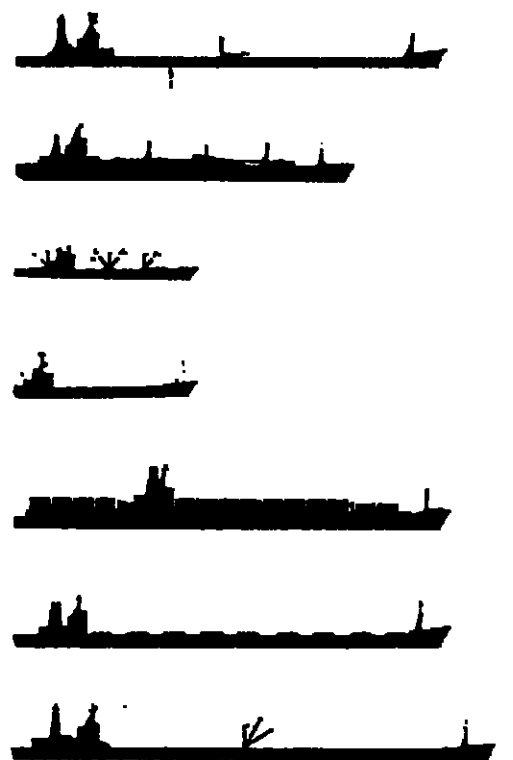
Originally housed in a disused army barracks with items donated by manufacturers and scientific firms, which still provide about 60 percent of the exhibits, the museum was moved to its present location in 1925.

Although it does not deal with the future, the museum is looking ahead. Space technology already has developed its own history, and the museum has embarked on construction of a new building to present the history of space.

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ENVITEC • Engineering in Environmental Protection • International Trade Fair and Congress	•	11. 2.-15. 2.
IMPINTA 79 • International Congress and Exhibition for the Processing of Information With Technical Demonstrations from the Original to the Printing Form	14. 2.-20. 2.	•
ARTS AND ANTIQUES FAIR • Düsseldorf	•	23. 2.- 2. 3.
IGEDO • International Fashion Trade Fair	11. 3.-14. 3.	9. 3.-12. 3.
GDS • International Footwear Trade Fair	24. 3.-26. 3.	22. 3.-24. 3.
DIDACTA • European Educational Materials Fair	27. 3.-31. 3.	•
IGEDO • International Fashion Trade Fair	22. 4.-26. 4.	20. 4.-24. 4.
INTERHOSPITAL • International Hospital Exhibition	15. 5.-18. 5.	•
Ibs • International Bakery Exhibition	•	7. 6.-15. 6.
GFMA • International Foundry Trade Fair with Congress	9. 6.-15. 6.	•
thermopress • International Exhibition and Congress for Industrial Furnaces and Thermo Production Processes	9. 6.-22. 6.	•
METEC • International Exhibition and Congress for Metallurgical Technology and Equipment	18. 6.-22. 6.	•
Silberware • International Trade Fair for Silverware	July	July
HFI • International Trade Fair with Festival	•	22. 8.-28. 8.
IGEDO • International Fashion Trade Fair	9. 9.-12. 9.	7. 9.-10. 9.
IGEDO DESSOUS • Trade Fair for Lingerie, Foundations, Swimwear	9. 9.-12. 9.	7. 9.-10. 9.
GDS • International Footwear Trade Fair	22. 9.-24. 9.	20. 9.-22. 9.
IGS • International Trade Fair and Congress • Industrial Cleaning - Factory Hygiene - Building Maintenance	•	24. 9.-27. 9.
IKM • Machines and equipment for workshops and industry	•	autumn
INTERKAMA • International Congress with Trade Fair for Instrumentation and Automation	•	9.10.-15.10.
GLAS • International Trade Fair for Industry, Trade and Handicraft • Applications - Machinery - Equipment	•	autumn
ISO • International Fair and Congress, Cold - Heat - Sound - Humidity • Applications - Systems - Technologies	•	autumn
K79 • International Trade Fair Plastics + Rubber	10.10.-17.10.	•
IGEDO • International Fashion Trade Fair	27.10.-31.10.	26.10.-30.10.
HOGATEC • International Trade Fair for Hotels, Restaurants and Catering	•	8.11.-12.11.
A+A • Industrial Safety + Factory Hygiene • Congress and International Trade Fair	13.11.-17.11.	•
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